

RULES FOR THE SELECTION AND FINANCING OF BILATERAL PROJECTS WITHIN THE CZECH REPUBLIC'S INTERNATIONAL DEVELOPMENT COOPERATION

INTRODUCTION

The Ministry of Foreign Affairs of the Czech Republic, as the coordinator of the Czech Republic's international development cooperation (hereinafter referred to as 'coordinator') further to Act No 2/1969 on the establishment of ministries and other bodies of state administration of the Czech Republic, as amended, appoints the following rules on the provision of funds to legal and natural persons for the implementation of activities in accordance with the international development cooperation plan, especially projects implemented in bilateral international development cooperation.

The provision of funds from the national budget for international development cooperation is governed in particular by:

- Act No 218/2000 on budgetary rules and amending certain related laws, as amended,
- Act No 215/2004 on the regulation of certain relations in the field of State aid and amending the Research and Development Aid Act,
- Act No 320/2001 on financial control in public administration and amending certain laws, as amended,
- Act No 40/2004 on public procurement, as amended,
- Decree No 551/2004 laying down the principles and terms of the financial settlement of relations with the national budget, state financial assets or the National Fund,
- Decree No 231/2005 on the participation of the national budget in the financing of asset acquisition and replacement programmes (enters into effect on 1 January 2006).

The following legal provisions also apply to international development cooperation:

- Act No 563/1991 on accounting, as amended,
- Act No 101/2000 on personal data protection and on an amendment to certain laws, as amended,
- Act No 2/1969 on the establishment of ministries and other central bodies of state administration of the Czech Republic, as amended,
- Act No 552/1991 on state control, as amended,
- Act No 499/2004 on archiving and the registry service and amending certain laws, as amended.

The following government resolutions apply to international development cooperation:

- Government Resolution No 302 of 31 March 2004, 'Principles of international development cooperation following the Czech Republic's accession to the EU',
- Government Resolution No 114 of 7 February 2001, 'Government principles for the provision of grants from the Czech Republic's national budget to nongovernmental organizations by central state administration authorities',
- Government Resolution No 664 of 1 June 2005 on international development cooperation in 2006 and on the medium-term outlook for the financing thereof up to 2008.

The following legislation of the European Communities is also relevant:

- Council Directive 89/665/EEC of 21 December 1989 on the coordination of the laws, regulations and administrative provisions relating to the application of review procedures to the award of public supply and public works contracts,
- Council Directive 92/50/EEC of 18 June 1992 relating to the coordination of procedures for the award of public service contracts,
- Council Directive 93/36/EEC of 14 June 1993 coordinating procedures for the award of public supply contracts,
- Council Directive 93/37/EEC of 14 June 1993 concerning the coordination of procedures for the award of public works contracts,
- European Parliament and Council Directive 97/52/EC of 13 October 1997 amending Directives 92/50/EEC, 93/36/EEC and 93/37/EEC concerning the coordination of procedures for the award of public service contracts, public supply contracts and public works contracts respectively,
- Commission Directive 2001/78/EC of 13 September 2001 amending Annex IV to Council Directive 93/36/EEC, Annexes IV, V and VI to Council Directive 93/37/EEC, Annexes III and IV to Council Directive 92/50/EEC, as amended by Directive 97/52/EC, and Annexes XII to XV, XVII and XVIII to Council Directive 93/38/EEC, as amended by Directive 98/4/EC.

GENERAL RULES

1. Purpose of Rules

The purpose of these Rules is to lay down basic uniform procedures for the provision of funds from the national budget as a main or supplementary source of financing, whereby the state contributes to the implementation of development projects announced in accordance with the current plan of the Czech Republic's international development cooperation within the meaning of Government Resolution No 302 of 31 March 2004, 'Principles of international development cooperation following the Czech Republic's accession to the EU'. These rules will be developed further by the coordinator, in cooperation with individual ministries, into more detailed procedures for the individual phases of the project cycle in the Czech International Development Cooperation Project Cycle Manual. The content of this manual will be recommendations.

2. Basic conditions for provision of funds

1. The total volume of funds released for international development cooperation from the national budget is limited by the amount earmarked for these purposes by the Act on the National Budget of the Czech Republic for the relevant calendar year.
2. Funds are provided solely for those projects whose goals and objectives comply with the International Development Cooperation Plan.
3. Funds for international development cooperation projects are released:
 - a) for specific contracts advertised and awarded by the grantor based on a tender dossier in accordance with Act No 40/2004 on public procurement, see Annex IA Rules for the award of public contracts and Annex IB Rules for the award of public contracts up to CZK 2 million,
 - b) for grants within the meaning of Act No 218/2000 on budgetary rules and amending certain related laws, as amended, for projects selected in accordance with advertised grant schemes, see Annex IC Rules for the provision of grants within the scope of international development cooperation.
4. Funds for bilateral international development cooperation projects can be used to cover costs connected with the preparation and management of international development cooperation projects up to 5% of the volume of international development cooperation funds management by the individual ministries (a maximum of 3% on the formulation of the tender dossier for public contracts and the preparation of documentation, and 2% on inspection activities).
5. The coordinator may earmark a maximum of 3% of the total volume of international development cooperation financing for activities connected with the monitoring, inspection and other activities connected with the coordination/evaluation of projects of Czech international development cooperation.

3. Definition of terms

For the purposes of these Rules, the following definitions apply:

1. 'International development cooperation' is a set of financial, material and other transfers to developing and transforming countries provided by the Government and its executive bodies. It is part of the coherent Government policy towards these countries.
2. 'Coordinator' means the Ministry of Foreign Affairs, which coordinates international development cooperation in accordance with the Competence Act (Act No 2/1969).
3. 'Implementer' means an entity accountable to the ministry for international development cooperation project implementation. This is either a supplier of services, goods or public works selected in accordance with the Public Procurement Act or a grant beneficiary within the international development cooperation grant schemes.
4. 'Ministry' means a ministry which manages, within the structure of its budget heading, funds allocated from the Public Treasury Administration heading specially earmarked for development cooperation. It coordinates international development cooperation projects relevant to its sector. It is the contracting authority for public contracts and provides grants within the scope of advertised grant schemes. It checks progress in the implementation of international development cooperation projects for which it is the coordinator.
5. 'Development Centre of the Institute of International Relations' (hereinafter referred to as 'Development Centre') means an ancillary specialist unit at the Ministry of Foreign Affairs of the Czech Republic for international development cooperation. The Development Centre contributes to the preparation of programmes for development cooperation with priority countries, the assessment of proposed themes of development cooperation, the work of evaluation committees and the evaluation of international development cooperation programmes and projects. Where the ministries express an interest, the Development Centre contributes to the formulation of the tender dossier and to the preparation of award procedures.
6. 'Interdepartmental Working Party' means a set of representatives of ministries and other central state administration authorities involved in the implementation of international development cooperation. The activities of the Interdepartmental Working Party are operative and conceptually strategic tasks. The Interdepartmental Working Party delivers opinions on all aspects of planning, preparation, implementation and evaluation of Czech international development cooperation.
7. A 'grant scheme' corresponds to a theme of development cooperation contained in the international development cooperation plan, where the ministry decides to proceed in the form of grants. It contains a coherent set of the grantor's priorities and objectives which are to be realized in the given budget year with the use of international

development cooperation funds. Each advertised grant scheme contains specific conditions for the provision of funds.

8. 'Grants' are specially earmarked funds defined under Act No 218/2000 and provided in keeping with other legal provisions from the grantor's budget, usually as a supplementary source for the financing of beneficiaries' projects realized within the scope of advertised grant schemes.
9. 'Grantor' means a ministry providing grants for the implementation of international development cooperation projects.
10. 'Grant beneficiary' means an entity to whom a grant is provided for the implementation of an international development cooperation project. A grant beneficiary may be only an entity which, in terms of its legal personality, complies with Section 7(1)(c), (e), (f) or (i) of Act No 218/2000.
11. 'Public contract' means a contract within the meaning of Act No 40/2004 on public procurement, as amended.
12. 'Contracting authority' means an entity which awards a public contract in accordance with Act No 40/2004 on public procurement.
13. 'Project' means a set of mutually coordinated, managed and time-limited activities aimed at securing the objectives defined in an announced award procedure in accordance with Act No 40/2004, or a grant award procedure referred to in Annex IC, including the fulfilment of contractual conditions or grant scheme conditions.
14. 'Priority countries' means countries which are approved by the Czech Government as territorial priorities for long-term development cooperation.
15. 'Non-priority countries' means all developing and transforming countries which are not *approved by the Czech Government as territorial priorities* for long-term development cooperation.
16. 'Manual for the Project Cycle of Czech International Development Cooperation' (hereinafter referred to as 'Manual') means a manual recommending the procedure for the relevant international development cooperation participants in all stages of the project cycle.
17. 'Project cycle' means the logical sequence of steps geared towards the effective achievement of international development cooperation objectives. As a matter of standard, it includes the following stages: 1. programming, 2. identification, 3. formulation, 4. implementation and monitoring, 5. evaluation.
18. 'Evaluation' means a comprehensive evaluation of the development benefits of an international development cooperation project or programme. In particular, relevance, efficiency, effectiveness, sustainability and impacts are assessed.

4.

Identification of international development cooperation themes

1. By 21 May, the coordinator shall present the Government, as part of annual documentation on international development cooperation, with a list of draft themes of international development cooperation recommended for implementation in the following year (the International Development Cooperation Plan). These international development cooperation themes are identified by 31 March:
 - a) by ministries in cooperation with the coordinator and Development Centre based on indicative overviews of areas for development intervention contained in Government-approved medium-term programmes of development cooperation between the Czech Republic and priority countries,
 - b) by the coordinator, in cooperation with the Development Centre and ministries, based on the proposals of partner institutions in non-priority countries sent by 28 February via Czech missions or, in exceptional and justified cases (e.g. security aspects) and after discussion with the coordinator, based on proposed themes for cooperation in non-priority countries submitted by ministries.
2. The international development cooperation plan should not contain themes which have no support in indicative overviews of areas for development interventions contained in Government-approved medium-term programmes of development cooperation between the Czech Republic and priority countries, which do not comply with the proposals of partner institutions in non-priority countries sent via Czech missions, or which have not been submitted by a ministry as a draft theme for cooperation in non-priority countries in exceptional and justified cases (e.g. security aspects) and after discussion with the coordinator.
3. The international development cooperation plan includes a specification of the maximum financial limits for each of the themes for the following and, indicatively, for the next two years. These financial limits are set by the coordinator in cooperation with ministries and the Development Centre in such a manner that they are in keeping with the Government-approved medium-term outlook for the financing of the Czech Republic's international development cooperation.

5.

Formulation of development cooperation projects and selection of implementers

1. The ministries, based on an assessment of the nature of individual approved international development cooperation themes, decide whether to arrange for the formulation of a project and advertise an award procedure for its implementation in accordance with the Public Procurement Act, or whether development cooperation on the given theme will be secured on the basis of grant schemes advertised in accordance with Annex IC of these Rules.
2. If ministries opt for the procedure under the Public Procurement Act
 - a) they shall arrange for the formulation of a tender dossier for an award procedure in accordance with the Public Procurement Act, corresponding to the international development cooperation themes approved in the international development cooperation plan,

- b) they appoint members of evaluation committees; a representative of the coordinator or Development Centre may take part in the work of the committees,
 - a) they advertise a public contract for the implementation of projects in accordance with the Public Procurement Act.
- 3. During the formulation and preparation of award procedures, ministries can make use of the Development Centre as required. The costs connected with activities carried out as part of the Development Centre's cooperation with ministries in the formulation of the tender dossier and preparation of award procedures may be covered from the item 'Monitoring, inspection and other activities connected with the coordination/evaluation of projects for Czech international development cooperation.'
- 4. Ministries may draw on external capacities in the formulation of the tender dossier and preparation of award procedures. Costs connected with these activities may be covered out of funds earmarked for a given theme of development cooperation provided that they do not exceed 3% of these funds (of the total sum in the case of multiannual projects).
- 5. External entities involved in the formulation of the tender dossier and/or preparation of award procedures must subsequently be ineligible for participation in the corresponding award procedure.
- 6. If the estimated value of the deliverable does not exceed CZK 2 million, the ministry proceeds in accordance with Annex IB.
- 7. If ministries opt for the procedure under Annex IC of these Rules
 - a) by 31 August they prepare grant schemes based on development cooperation themes approved in the international development cooperation plan for the following year,
 - b) by 31 August they appoint members of evaluation committees; a representative of the coordinator or Development Centre may take part in the work of the committees,
 - c) by 15 September they arrange for the notification of grant schemes on their website.
- 8. Entities eligible to apply for a grant from the resources earmarked for international development cooperation must have legal personality complying with Section 7(1)(c), (e), (f) or (i) of Act No 218/2000. Therefore, business entities cannot be grant beneficiaries in international development cooperation grant schemes.
- 9. In the selection of projects or implementers, the ministries proceed, in the case of public contracts, in accordance with Act No 40/2004 on public procurement, in the case of contracts worth up to CZK 2 million in accordance with Annex IB, and in the case of grants in accordance with Annex IC. In all cases, they will take account of assessment criteria for projects the qualification requirements of tenderers as recommended by the coordinator in the Manual.

6.

Conclusion of contracts and issue of grant decisions

1. The relevant ministry enters into contracts with implementers of development cooperation project implementers selected based on award procedures in accordance with Act No 40/2004 on public procurement, as amended, or based on the procedure laid down in Annex IB. The model text of the contract will be provided by the coordinator and will be part of the Manual.
2. In cases of multiannual projects, the contract is concluded for the whole period of project implementation; addenda to the contract are concluded for individual one-year stages that specify inter alia the content of fulfilment for the given year. Contracts for the implementation of multiannual projects must contain a clause that the provision of funds in subsequent years is contingent on the approval of the national budget and international development cooperation resources for the relevant years and on the due fulfilment of project activities. In the advertisement of award procedures, the contracting authority must disclose information about the fact that the provision of funds in subsequent years is contingent on the approval of the national budget for those years.
3. For the financing of projects selected based on a grant award procedure referred to in Annex IC, the ministry issues a grant decision in accordance with Section 14(3) of Act No 218/2000. The minimum requirements of a grant decision are referred to in Annex IC. A model Grant Decision will be provided in the Manual. A grant is provided for a period of not more than one financial year.
4. In cases of multiannual projects, the ministry may, for a selected beneficiary, declare its intention to provide grants for the implementation of an approved project in subsequent years provided that the national budget for the relevant years is approved and the project activities have been duly carried out.

7.

Checks

1. Ministries check progress in project implementation in accordance with Act No 320/2001 on financial control in public administration. Checks are mainly conducted on the basis of project implementation reports, the accounting of project implementation, and accounting and other documents submitted by the implementer.
2. The implementer is obliged, with the exception of cases where funds are granted for one-off activities:
 - a) to draw up an interim report on project implementation at least once every half-year on the form for interim reports, and to present it to the ministry and Czech mission accredited for the given country,
 - b) at the same time as the interim report, to present the ministry and Czech mission accredited for the given country with a plan of activities for the upcoming period, including a budget,
 - c) to facilitate checks of contract performance or the observance of conditions referred to in the Grant Decision.

These obligations will be laid down in the contract/decision, including penalty provisions.

3. In the case of multiannual projects, at the end of the calendar year the implementer is obliged to draw up and present to the ministry and Czech mission accredited for the given country an annual report on project progress in the given calendar year and the plan for the next year.
4. At the end of the project, the implementer is obliged to draw up and present to the ministry and Czech mission accredited for the given country a final report. On approval of the report by the ministry, the final report will be provided to the coordinator.
5. On receipt of reports from the implementer, the following checks will be conducted:
 - a) formal correctness,
 - b) observance of binding indicators contained in the project document,
 - c) presented (on request) accounting documents,
 - d) observance of the expedience and economic efficiency of the funds used.

To this end, the implementer is required to present, on demand, the originals of documents or certified copies of leases, commercial and employment contracts, order forms and other documents, unless specified otherwise in the contract/decision.

6. Verification of the correctness of information contained in reports on project implementation is carried out at the place of implementation by the mission accredited for the given country. In exceptional and justified cases, the verification of the correctness of information contained in reports may be carried out at the place of implementation by a representative of the ministry. The cost connected with this verification by the ministry may be covered by resources earmarked for the public administration inspection of the project, which must not exceed 2% of the resources for the given project.
7. The ministry is entitled to ask the implementer for more precise information referred to in the project progress reports.
8. Where projects receive a financial contribution of more than CZK 5 million, on completion of project implementation the coordinator will demand the submission of a report on the implementation of public administration inspections of the project by the ministry. In the interests of an expert assessment during an on-the-spot public administration inspection, further persons may be invited, e.g. experts and interpreters, in accordance with Section 16 of Act No 320/2001 on financial control in public administration. Costs connected with the performance of their activities may be covered out of funds earmarked for the project in the International Development Cooperation Plan (up to 2% of the total resources earmarked for the give project).
9. Cases where non-fulfilment of contractual conditions is discovered in projects implemented as public contracts or contracts up to CZK 2 million will be subject to a fine in accordance with the sanctions that must be incorporated into the contract.
10. If a breach of project implementation conditions is discovered in cases where a grant is provided, this is classified as a breach of budgetary discipline under Section

44(1)(b) of Act No 218/2000 on budgetary rules. In this case, the revenue office will impose a sanction on the beneficiary for breach of budgetary discipline and a penalty in accordance with Section 44(3) of the above-mentioned law.

11. The forms for the interim report, plan of activities for the upcoming period and final report are recommended by the international development cooperation coordinator in the Manual.

8. Settlement

1. On completion of project implementation, the implementer is obliged to draw up the final billing/financial settlement of project implementation and present it to the ministry within one month. In cases of multiannual projects, settlement will be presented after each annual phase.
2. In the final billing/financial settlement, the progress of project financing is documented in writing.

This documentation must contain:

- a) a description of the implementation of the project with a specification of its outputs and overall evaluation (final report/annual report),
- b) an evaluation of the observance of binding indicators (in the final report/annual report),
- c) a financial settlement which must be prepared on the prescribed form in the same structure and scope as the overall planned cost budget of the project (financial report).

The ministry is entitled to ask the implementer for more precise information referred to in the project settlement.

3. All accounting documents concerning the implemented project will be filed with the implementer. Individual accounting documents will be labelled with the project name or in another manner clearly identifying the project.
4. A model form for the financial report and report on the project outcome handover to the partner will be recommended in the International Development Cooperation Manual.
5. On request, the implementer shall present entitled entities, for their perusal, with the originals of documents or certified copies of leases, commercial and employment contracts, order forms and other documents, unless specified otherwise in the contract/decision.
6. During the final billing/financial settlement, the following checks will be conducted:
 - a) formal correctness,
 - b) observance of binding indicators contained in the project document,
 - c) presented (on request) accounting documents,
 - d) observance of the expedience and economic efficiency of the funds used.

7. The ministry is entitled to ask the implementer for more precise information referred to in the financial report.
8. If savings are made in actual costs, the implementer is obliged to refund unused funds to the ministry's account in the time limit referred to in the contract/decision.

9. Evaluation

1. The ministry, in cooperation with the coordinator and the Development Centre, shall arrange for an evaluation of the development benefits of international development cooperation programmes and projects.
2. Rules for the evaluation of international development cooperation programmes and projects shall be set by the coordinator in cooperation with ministries in the Manual.
3. The costs connected with project evaluation are covered from the item 'Monitoring, inspection and other activities connected with the coordination/evaluation of projects for Czech international development cooperation'.
4. The results of evaluations will be taken into consideration by ministries in the preparation of international development cooperation programmes and projects for the upcoming period.

10. Document archiving

1. The implementers and the ministries shall file all project-related documentation for five years as of the end of the project, unless the law provides a longer period for the filing of such documents.
2. Project documentation is kept in a separate file labelled with the registration number and name of the project. Within the file, a record of file movements and a brief list of file contents are kept. Document archiving by the implementer is subject to inspections by the ministry.
3. The procedures for filing documents are governed by the relevant laws and ministerial regulations.

11. Publicity

1. The implementer shall secure publicity for the project and inform the public in an appropriate fashion of the fact that the project is co-financed from national budget funds. The publicity method depends on the type of project.
2. If the implementer publicizes his project in any manner (e.g. advertising in the press, a promotional stall, presentations in the media), in all cases he must state that the project is co-financed from the resources of the Czech national budget, and include the international development cooperation logo of the Czech Republic (see Annex III) and

the local of the ministry (if any). Rules for the use of the logo are laid down in the Manual for International Development Cooperation Use, published by the coordinator.

3. The implementer's obligation to provide publicity will be set out in detail in the Grant Decision or in the concluded contract.
4. Expenditure on publicity may be an eligible expense if included in the approved budget.

12.

Eligible and ineligible costs

Assessments of the eligibility or ineligibility of costs in connection with the provision of grants for the implementation of projects for the Czech Republic's bilateral international development cooperation are governed by rules for the determination of eligible and ineligible costs issued by the international development cooperation coordinator, which will be included in the Manual in the form of recommendations.

13.

Forms

1. During the process for allocation of funds for international development cooperation projects, ministries are obliged to use the forms prescribed by Act No 40/2004 on public procurement, and the forms in Annex II.
2. For all methods for the allocation of international development cooperation funds referred to in Article 2 of these Rules, the international development cooperation coordinator sets out the model outline of project documentation as per Annex II of these Rules (including the specimen cover page referred to in Annex IIA, the project identification form referred to in Annex IIB, the table of outputs and the financial framework of the project referred to in Annex IIC, the model budget structure referred to in Annex II D, and the schedule of project activities referred to in Annex IIE).
3. Where funds are provided based on a prohibition promulgated and set in accordance with Act No 40/2004 on public procurement, the ministry uses the specimens laid down in Annex Nos 1 to 5 of Decree No 240/2004 on the public procurement information system and methods for the evaluation of bids based on economic efficiency, as amended.
4. Other information (interim reports, annual report, final report, etc.) shall be recommended by the coordinator in the Manual.

14.

Final provisions

These Rules were approved under Government Resolution No 1311 of 12 October 2005 and enter into effect on ...

BASIC FRAMEWORK FOR THE PROVISION OF FUNDS EARMARKED FOR INTERNATIONAL DEVELOPMENT COOPERATION

Basic methods for the release of funds intended for international development cooperation from the aspect of the ministry are set out in diagram form in the following Figure 1.

The first method for the provision of international development cooperation funds falls under the regime of Act No 40/2004 on public procurement; the framework procedure is given in Annex IA. The decision-making tree for the provision of funds earmarked for international development cooperation in this manner is set out in Figure 2. If the project does not meet the characteristics of a public contract and therefore is not of a value exceeding CZK 2 million, the project can be awarded as a contract in accordance with the process laid down in Annex IB.

Annex IC regulates the procedure where an entity meets the conditions (especially the required legal form) of the advertised grant scheme and funds can therefore be released in the form of a grant.

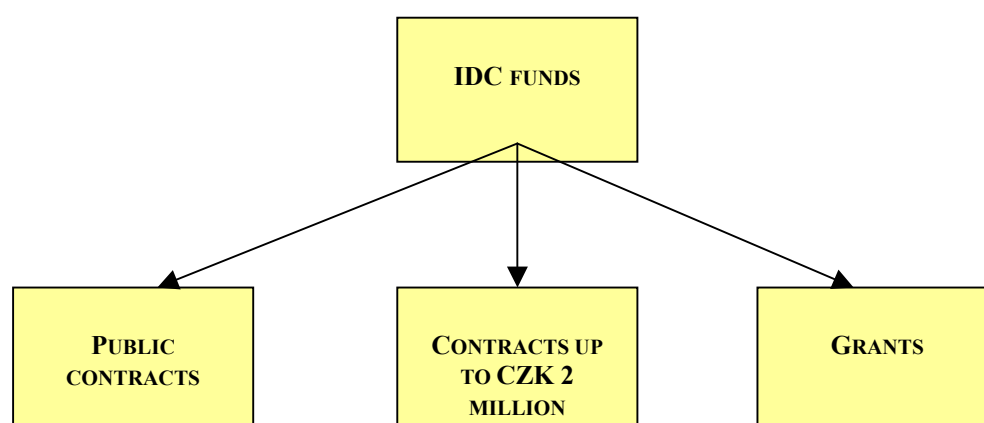
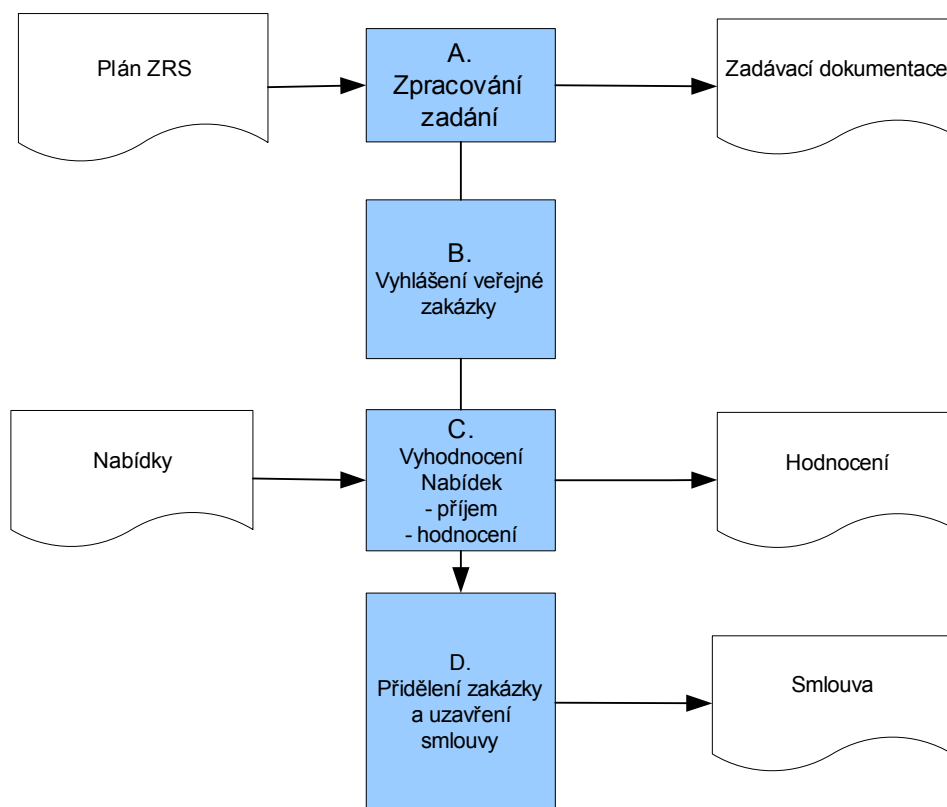


Figure 1 Basic methods for the provision of funds earmarked for international development cooperation

AWARD PROCEDURE RULES WITHIN THE MEANING OF ACT NO 40/2004 ON PUBLIC PROCUREMENT

This Act applies solely to contracts which are not specifically excluded from the law (Sections 4 and 5 of the Act) and where the estimated price of the subject of the public contract is more than CZK 2 million (a ‘public contract’). A public contract is defined as a contract which is implemented for a consideration based on a written contract with one or more tenderers or interested parties.

The following diagram, which is based on the general diagram for the process of providing funds referred to in Annex I, depicts the basic approach in the award procedure in accordance with Act No 40/2004 on public procurement.



IDC Plan

A. Preparation of terms of reference

Tender dossier

Tenders

B. Notice of public contract

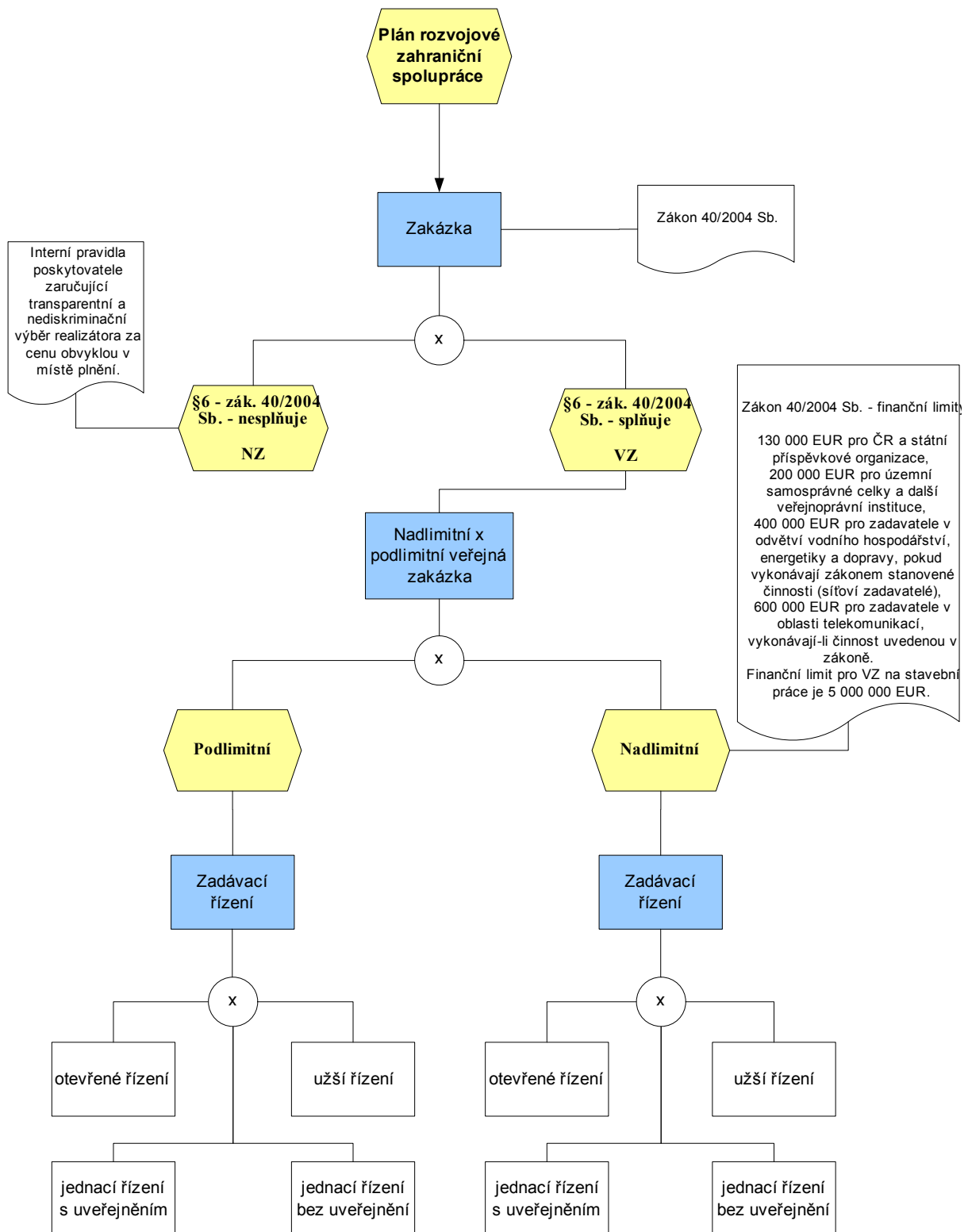
C. Evaluation of tenders – receipt, - evaluation

Evaluation

D. Award and conclusion of contract

Contract

Figure 2 Basic approach in the award procedure in accordance with Act No 40/2004



International Development Cooperation Plan

Contract

Act No 40/2004

Internal rules of the grantor guaranteeing the transparent and non-discriminatory selection of an implementer for the price usual at the place of implementation

Section 6 – Act No 40/2004 – not met – non-public contract

Section 6 – Act No 40/2004 – met – public contract

Above-the-threshold x below-the-threshold public contract

Below-the-threshold

Above-the-threshold

Act No 40/2004 – financial limits

EUR 130,000 for the Czech Republic and organizations partly funded from the public purse,

EUR 200,000 for regional government authorities and other public-law institutions,

EUR 400,000 for contracting authorities in water management, the energy sector, transport, if they carry out activities laid down by law (network contracting authorities),

EUR 600,000 for contracting authorities in telecommunications if they carry out activities laid down by law.

The financial limit for public works contracts is EUR 5,000,000

Award procedure

Award procedure

open procedure

restricted procedure

open procedure

restricted procedure

negotiated procedure with publication

negotiated procedure without publication

negotiated procedure with publication

negotiated procedure without publication

Figure 3 Diagram for the provision of funds via Act No 40/2004

A. Preparation of terms of reference

- The tender dossier must clearly describe the object of the contract and further information necessary for the quality preparation of bids by tenderers.
- The tender dossier will include the model structure of a project document, which is to be respected by tenderers in the preparation of bids. The model structure of a project document is provided in Annex II.
- In the preparation of the tender dossier, the contracting authority (the ministry) abides by Sections 48 to 52 of Act No 40/2004.

B. Contract award notice

B.1 Open procedure

- indicative notice – makes it possible to reduce the time limit for above-the-threshold contracts, obligation to publish within 30 days of budget approval if the sum of contracts exceeds the relevant limit (EUR 750,000 for supplies and services, EUR 5,000,000 for construction work), may also be used on a voluntary basis;
- notice of open procedure – a call for tenders, an official form must be used, obligation to publish in the on public procurement information system (ZVZ IS).

B.2 Restricted procedure

- indicative notice – see open procedure;
- notice of restricted procedure – call for applications to take part in future award procedure, obligation to publish in ZVZ IS;
- evaluation of qualifications – assessed in accordance with the criteria laid down in the notice of award procedure, documents on the fulfilment of qualifications are part of the application to participate, non-fulfilment results in rejection of the interested party;
- call for tenders – based on the evaluation of qualifications, the contracting authority invites 5-20 interested parties to submit tenders; the time limit for the submission of tenders commences on the date after the call is dispatched.

B.3 Negotiated procedure with publication

- indicative notice – see open procedure;
- notice of negotiated procedure with publication – call for applications to take part in future award procedure, obligation to publish in ZVZ IS;
- evaluation of qualifications – assessed in accordance with the criteria laid down in the notice of award procedure, documents on the fulfilment of qualifications are part of the application to participate, non-fulfilment results in rejection of the interested party;
- call for negotiation and submission of tenders – based on the evaluation of qualifications, the contracting authority invites at least three interested parties to the negotiating table and then to submit tenders; the time limit for the submission of tenders commences on the date after the call for tenders is dispatched.

B.4 Negotiated procedure without publication

- indicative notice – see open procedure;
- notice of negotiated procedure without publication – invitation to a meeting (date, time and venue);
- no requirement to publish in ZVZ IS (unlike all other award procedure notices).

C. Evaluation of tenders

C.1 Open procedure

- composition of evaluation committee – the number of players in the evaluation committee depends on the amount of the future financial commitment, i.e. at least 5, 7 or 9; a third of members must have professional eligibility in accordance with separate legal provisions;
- tender opening session – on the date announced in the award procedure notice (no later than 30 days after the end of the time limit for the submission of tenders), check of the language of the tender, the signature of the authorized person and the completeness of the tender content, the outcome is a report on the tender opening session;
- evaluation of qualifications – assessed in accordance with the criteria laid down in the notice of award procedure, documents on the fulfilment of qualifications are part of the tender, non-fulfilment of qualifications results in disqualification from the open procedure;
- evaluation of tenders – the committee assesses tenders to ensure compliance with the terms of reference; the evaluation is processed based on the method stated in the notice of the award procedure (the lowest offer price or the economic expedience of the tender); the outcome is a report on the assessment and evaluation of tenders. In the evaluation of tenders, the contracting authority may take into account criteria specific for development cooperation as recommended by the coordinator in the Manual, or set supplementary criteria.

C.2 Restricted procedure

- see open procedure

C.3 Negotiated procedure with publication

- composition of the evaluation committee – the rules are set by the contracting authority (observance of similar principles as those laid down for open and restricted procedure);
- tender opening session – the rules are set by the contracting authority (observance of similar principles as those laid down for open and restricted procedure);
- evaluation of tenders – the basis is the outcome of previous negotiations; the evaluation is processed based on the method stated in the notice of the award procedure (the lowest offer price or the economic expedience of the tender); the outcome is a report on the assessment and evaluation of tenders. In the evaluation of tenders, the contracting authority may take into account criteria specific for development cooperation as recommended by the coordinator in the Manual, or set supplementary criteria.

C.4 Negotiated procedure without publication

- negotiations – with one implementer of a limited number of implementers concerning award procedure conditions and contractual conditions.

D. Contract award and conclusion of contract

D.1 Open procedure

- award of public contract – the contracting authority is required to award the contract to the tenderer whose tender is assessed as the most suitable in accordance with the selected criterion; provided that relevant justification is provided, it is possible to derogate from the order set by the committee; the contracting authority is obliged to announce the decision on the award of the contract to all tenderers;
- conclusion of the contract – no earlier than on expiry of the 15-day time limit for the submission of objections, so that the contract can be concluded within 30 days of delivery of the contract award decision; ban on the conclusion of a contract for a period of 60 days, if objections have been submitted and have not been upheld;
- cancellation of the award procedure – before conclusion of the contract; this possibility must be reserved in the notice; publication within 15 days;
- objections from tenderers – in cases of above-the-threshold public contracts, justified objections can be submitted by any supplier; in cases of below-the-threshold public contracts, any tenderer or interested party who has or had an interest in the contract and who has incurred or is at risk of incurring damage may submit a justified objection; objections must be substantiated and delivered to the contracting authority within 15 days of the date of delivery of the notice of the contract award;
- written report of the contracting authority – provided to the Office for the Protection of Competition or the European Commission on request.

D.2 Restricted procedure

- see open procedure.

D.3 Negotiated procedure with publication

- award of public contract – the contracting authority is required to award the contract to the tenderer whose tender is assessed as the most suitable in accordance with the selected criterion;
- for other details see open procedure.

D.4 Negotiated procedure without publication

- award of public contract – the contracting authority is required to award the contract to the tenderer whose tender is assessed as the most suitable in accordance with the selected criterion;
- cancellation of award procedure – at any time with no specification of the reason;
- public contract information sheet – within 15 days of the date on which the contract is concluded or the award procedure is cancelled;
- for other details see open procedure.

Most important time limits under Act No 40/2004 on public procurement

1. Open procedure

Time limit for the submission of tenders

- for above-the-threshold contracts, the time limit must be at least 52 days (can be reduced to 22 days);
- with below-the-threshold contracts, the time limit must be at least 36 days.

Publication of the result of the award procedure

- with above-the-threshold public contracts, within 48 days of conclusion of the contract;

- with below-the-threshold public contracts, within 30 days of conclusion of the contract.

Time limit for the conclusion of the contract

- if the contracting authority does not receive any objections within 15 days of delivery of the notice of the public contract award, it concludes a written contract with the tenderer without undue delay;
- if the contracting authority receives objections but does not uphold them, the contract must not be concluded for a period of 60 days as of the date of receipt of the objections.

2. Restricted procedure

Time limit for the delivery of applications for participation, including documents to prove qualifications

- must not be shorter than 37 days;
- in urgent cases no shorter than 15 days.

Time limit for the submission of tenders

- for above-the-threshold contracts, the time limit must be at least 40 days (can be reduced to 26 days);
- with below-the-threshold contracts, the time limit must be at least 20 days.

Publication of the result of the award procedure

- with above-the-threshold public contracts, within 48 days of conclusion of the contract;
- with below-the-threshold public contracts, within 30 days of conclusion of the contract.

Time limit for the conclusion of the contract

- if the contracting authority does not receive any objections within 15 days of delivery of the notice of the public contract award, it concludes a written contract with the tenderer without undue delay;
- if the contracting authority receives objections but does not uphold them, the contract must not be concluded for a period of 60 days as of the date of receipt of the objections.

3. Negotiated procedure with publication

Time limit for the delivery of applications for participation, including documents to prove qualifications

- must not be shorter than 37 days;
- in urgent cases no shorter than 15 days.

Time limit for the submission of tenders

- for above-the-threshold contracts, the time limit must be at least 40 days (can be reduced to 26 days);
- with below-the-threshold contracts, the time limit must be at least 20 days.

Publication of the result of the award procedure

- with above-the-threshold public contracts, within 48 days of conclusion of the contract;

- with below-the-threshold public contracts, within 30 days of conclusion of the contract.

Time limit for the conclusion of the contract

- if contractual conditions have been negotiated with multiple interested parties and the contracting authority does not receive any objections within 15 days of delivery of notice of the award of the public contract, it concludes a written contract with the selected interested party without undue delay in accordance with the terms of reference and selected tender;
- if the contracting authority receives objections but does not uphold them, the contract must not be concluded for a period of 60 days as of the date of receipt of the objections.

4. Negotiated procedure without publication

Time limit for the conclusion of the contract

- if contractual conditions have been negotiated with multiple interested parties and the contracting authority does not receive any objections within 15 days of delivery of notice of the award of the public contract, it concludes a written contract with the selected interested party without undue delay in accordance with the terms of reference and selected tender;
- if the contracting authority receives objections but does not uphold them, the contract must not be concluded for a period of 60 days as of the date of receipt of the objections.

Publication of the result of the award procedure

- with above-the-threshold public contracts, within 48 days of conclusion of the contract;
- with below-the-threshold public contracts, within 30 days of conclusion of the contract.

The model text of the contract will be provided by the international development cooperation coordinator as part of the International Development Cooperation Project Cycle Manual.

Procedure in case of subcontractor relations

If the selected tenderer seeks part of the performance of the public contract from a third party and this performance meets the particulars of the public contract under Section 6 of Act No 40/2004, the implementer is obliged to contract such performance in accordance with Section 18 of Act No 40/2004. This also concerns cases where the subcontractor does not have its registered office on the territory of EU Member States.

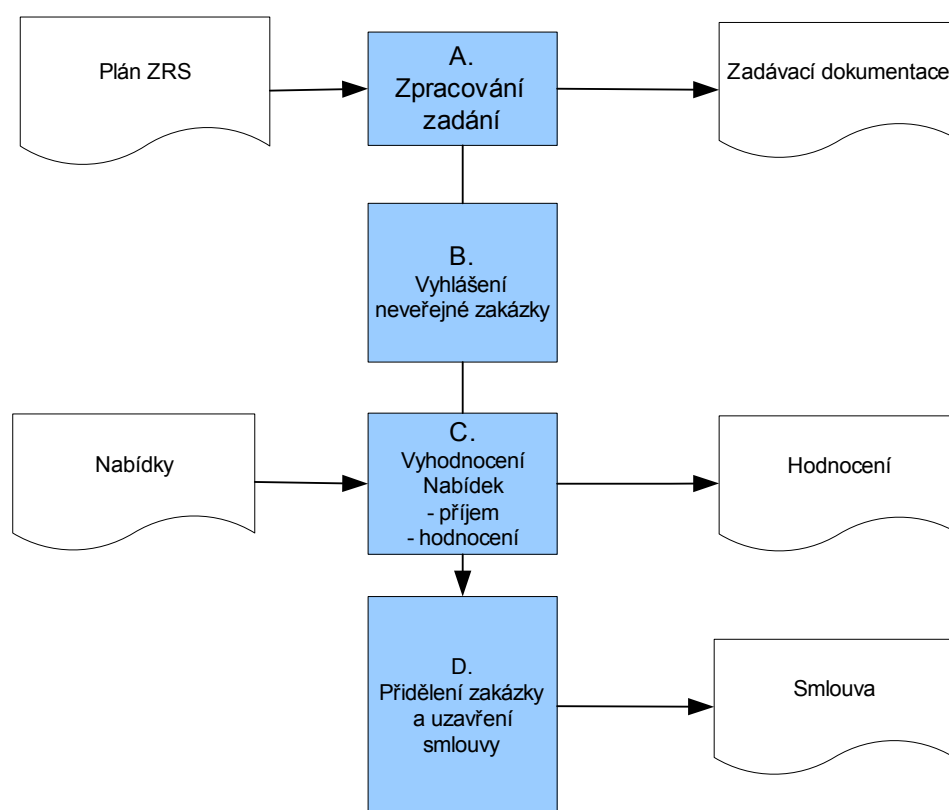
Table 1. Overview of selected information concerning the individual types of procedure:

Type of time limit	Running of time limit	Open procedure	Restricted procedure		Negotiated procedure		Provision in the Czech Public Procurement Act
		Normal time limit (days)	Normal time limit (days)	Accelerated procedure (days)	Normal time limit (days)	Accelerated procedure (days)	
Time limit for the submission of requests to participate	from the day following the date of dispatch of notice		min. 37	min. 15	min. 37	15	Section 43(3), Section 44(3)
Time limit for the submission of tenders	from the day following the date of publication of notice	min. 52					Section 54(2)(a)
	from the day following the date of dispatch of the call for tenders		min. 40	min. 10	min. 40		Section 54(2)(b)(4)
Time limit for the submission of a tender after the indicative notice under Section 29	from the day following the date of publication of notice	min. 22					Section 54(3)(a)
	from the day following the date of dispatch of the call for tenders		min. 26	min. 10	min. 26		Section 54(3)(b)(4)
Sending of tender dossier and additional documentation	from the day after delivery of the request to participate	4	4		4		Section 51(1)
Provision of information	before the final date fixed for receipt of tenders, no later than	7	7		7		Section 52(2)
Publication of the result of the award procedure.		48	48		48		Section 67(1)(a)

RULES FOR THE AWARD OF CONTRACTS UP TO CZK 2 MILLION

Under Section 6(3) of Act No 40/2004 contracts not exceeding CZK 2 million must be awarded in a transparent, non-discriminatory manner for the normal price at the place of performance.

The following diagram, which is based on the general diagram for the process of providing funds referred to in Annex I, depicts the basic approach in the award procedure for contracts not exceeding CZK 2 million; it is based on procedures referred to in Act No 40/2004 on public procurement.



<i>IDC Plan</i>	<i>A. Preparation of terms of reference</i>	<i>Tender dossier</i>
	<i>B. Notice of non-public contract</i>	
<i>Tenders</i>	<i>C. Evaluation of tenders – receipt, - evaluation</i>	<i>Evaluation</i>
	<i>D. Award and conclusion of contract</i>	<i>Contract</i>

Figure 4 Basic approach in the award procedure for contracts up to CZK 2 million

For the unification of the award process by ministries, we set out the basic rules of this process, including the structure of the tender dossier for the submission of tenders. We annotate the individual items.

A. Preparation of terms of reference

Even in cases where contracts do not exceed CZK 2 million, the tender dossier must clearly describe the object of the contract and further information necessary for the quality preparation of bids by tenderers.

The coordinator sets the following tender dossier structure, including comments. The contracting authority shall specify:

- a) **information about the subject of the contract**, a description of the subject of the contract, including a specification of technical parameters. The contracting authority is held liable for the correctness and completeness of the tender dossier. In preparing the tender dossier, the contracting authority must comply with the requirements referred to in Annex II (completion of the project identification form, completion of the table of outputs and financial framework of the project, etc.);
- b) **Identification information about the contracting authority, including personal data;**
- c) the **date, time and venue** where the tender is to be delivered;
- d) the **date, time and venue** where the tender opening session is to take place;
- e) **implementer qualification requirements:**
in the tender dossier, the contracting authority shall lay down the requirements placed on implementers' qualifications; fulfilment of qualifications means:
 - fulfilment of the general qualification criteria (compulsory) and proof of authorization to engage in business (by means of a certification of incorporation or other document not more than 90 days old as at the date of the submission of the tender);
 - fulfilment of further qualification criteria laid down by the contracting authority, whereby the contracting authority defines the corresponding level of the implementer's financial and economic standing and technical capability, and a guarantee of quality based on the type, scope, and complexity of the contract to be awarded;
- f) **the model project document outline** to be respected by the tenderer in the preparation of the tender (the model project document structure is laid down in Annex II);
- g) **criteria for award of contract (evaluation criteria):**
 - either the lowest price;
 - or the economic efficiency of the tender, including a specification of the weight attributed to each of the criteria.In the evaluation of tenders, the contracting authority may take into account criteria specific for development cooperation as recommended by the coordinator in the Manual, or set supplementary criteria.
- h) **any requirements regarding the provision of security;**
- i) **a binding time limit over which the tenderer will be bound by the tender;**
i.e. the time limit over which the tenderer is bound by its tender, including the offer price, over the period specified by the contracting authority in the call for tenders. This is specified because often a longer period may pass between the production of the tender and the award of the contract;
- j) **conditions for the cancellation of the award procedure**

the contracting authority is authorized to cancel the award procedure to ensure transparency and non-discrimination:

- if the contracting authority has reserved this right in the call for tenders, but no later than on conclusion of the contract;
- if no tender, or only 1-2 tenders, has been submitted;
- if all the tenderers are disqualified for failing to comply with the qualification requirements;
- as a result of a significant change in circumstances which the contracting authority is unable to foresee and does not cause, there is no reason to continue the award procedure;
- if the implementers evaluated in the top three places refuse to conclude the contract, or if they fail to conclude the contract in the period that they are bound by their tender.

If notification of the possibility of cancelling the award procedure is not included in the call for tenders, the contracting authority will not be able to cancel the award procedure for reasons other than those above.

B. Advertisement of a contract up to CZK 2 million

To ensure transparency and non-discrimination, the contracting authority sends the prepared tender dossier to at least three candidates who, in the opinion of the contracting authority, might comply with the required criteria and implement the contract.

C. Evaluation of tenders

- the composition of the evaluation committee must comply with the requirement in section 5(2)(b) of these Rules, i.e. the possibility of the participation of one representative of the coordinator/Development Centre;
- tender opening session – on the date specified in the notice of the award procedure;
- evaluation of qualifications – assessed in accordance with the criteria laid down in the notice of award procedure, documents on the fulfilment of qualifications are part of the tender, non-fulfilment of qualifications results in disqualification of the tenderer;
- evaluation of tenders – the committee assesses tenders to ensure compliance with the terms of reference; the evaluation is processed based on the method stated in the notice of the award procedure (the lowest offer price or the economic expedience of the tender); the outcome is a report on the assessment and evaluation of tenders. In the evaluation of tenders, the contracting authority may take into account criteria specific for development cooperation as recommended by the coordinator in the Manual.

D. Contract award and conclusion of contract

- award of contract – the contracting awards the contract to the tenderer whose tender is assessed as the best in accordance with the selected criterion;
- the conclusion of the contract is not bound by any statutory time limits; the contracting authority concludes the contract at the earliest opportunity, as required;
- cancellation of the award procedure – before conclusion of the contract; this possibility must be reserved in the tender dossier;

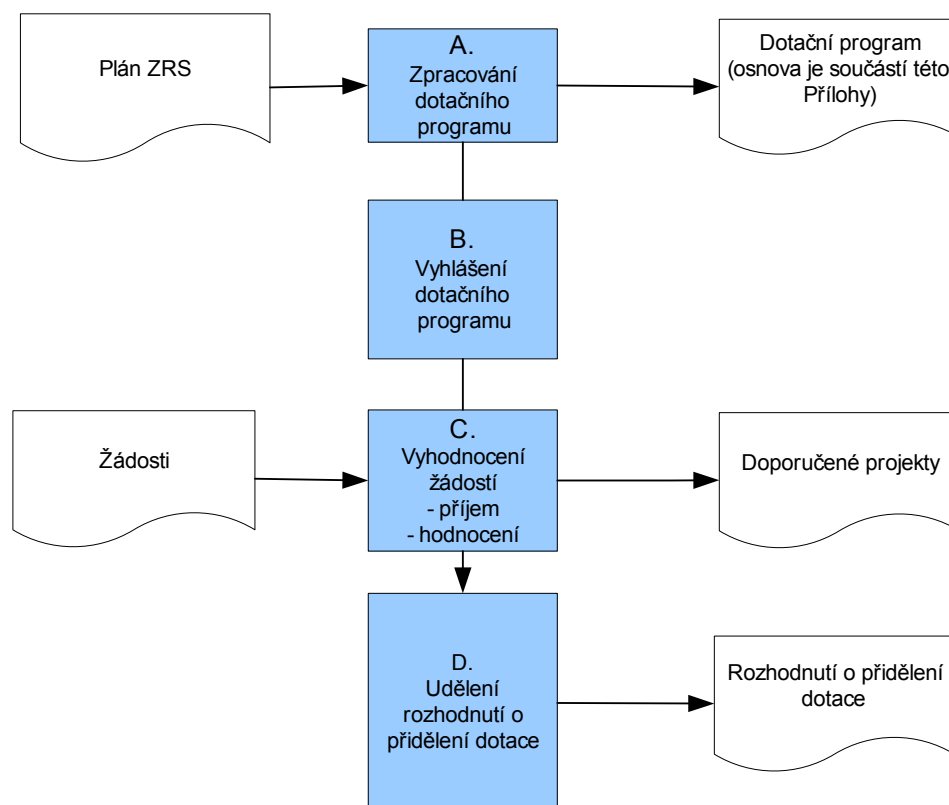
- the model text of the contract will be provided by the international development cooperation coordinator as part of the International Development Cooperation Project Cycle Manual.

Time limits

The contracting authority sets all other time limits connected with the award of a contract up to CZK 2 million on a case-by-case basis, at the contracting authority's discretion with consideration for the nature of the contract; for the sake of simplification in appointing individual time limits, we recommend applying the time limits common for public contracts.

**RULES FOR THE PROVISION OF GRANTS WITHIN THE SCOPE OF INTERNATIONAL
DEVELOPMENT COOPERATION**

The following diagram, which is based on the general diagram for the process of providing funds referred to in Annex I, depicts the basic approach in the provision of national budget funds in the form of grants.



<i>IDC Plan</i>	<i>A. Preparation of grant scheme</i>	<i>Grant scheme (structure is part of this Annex)</i>
	<i>B. Notice of grant scheme</i>	
<i>Applications</i>	<i>C. Evaluation of applications – receipt, - evaluation</i>	<i>Recommended projects</i>
	<i>D. Award of grant decision</i>	<i>Grant decision</i>

Figure 5 Basic approach to the provision of funds via grants

Entities eligible to apply for a grant from the resources earmarked for international development cooperation must have legal personality complying with Section 7(1)(c), (e), (f) or (i) of Act No 218/2000. The following types of grants are involved:

- grants and recoverable financial assistance to regional government units for activities other than business activities;
- grants to civic associations;
- grants to legal persons who are established or set up to provide healthcare, cultural, training and social services and to provide social-law protection for children, and grants to natural persons who provide such services or social-law protection to children exclusively for these purposes;

- grants to foundations and endowment funds.

Ministries shall ensure that the provision of a grant does not result in State aid. Under Article 87(1) of the Treaty establishing the European Communities, State aid is considered to be aid which is provided from State resources, distorts or threatens to distort competition, places certain undertakings or certain sectors of production at an advantage and influences trade between Member States.

For the unification of the process of advertising grant schemes among ministries, we set out the basic rules of this process, including the structure of the tender dossier comments on the individual items.

A. Preparation of the grant scheme

The ministry, in the role of grantor, prepares a grant scheme in keeping with the approved development cooperation themes (in accordance with an annex to a Government resolution – the international development cooperation plan for the next year). In the advertisement of a grant scheme, the following in particular are specified:

Objective of the grant scheme
<i>- will be defined in keeping with approved development cooperation themes.</i>
Basic terms
<i>- the basic terms will be defined within the scope of the grant scheme, including the grantor, applicant, etc.</i>
Activities supported
<i>- supported activities must be defined in such a manner that they correspond to approved development cooperation programmes or themes sent from partner institutions in non-priority countries</i>
Activities not supported
<i>- a specification of activities for which it is not possible to apply for a grant</i>
Eligible entities – grant beneficiaries
In accordance with Section 7(1) of Act No 218/2000, grants from funds specifically earmarked for international development cooperation may be provided solely to entities under c), e), f) or i).
Terms and conditions of application eligibility
If a submitted grant application contains formal errors, it will not be corrected or amended and will be disqualified. For the purposes of these Rules, the following shall be considered examples of formal errors: <ul style="list-style-type: none"> a) the absence or incompleteness of prescribed forms and annexes; b) the invalidity of prescribed annexes (e.g. the absence of official certification); c) the absence or incompleteness of prescribed information, the incorrect specification thereof (e.g. incorrect or untruthful identification information concerning the applicant);

d) errors in calculations.

Applications sent in any other manner (e.g. by fax or e-mail), applications delivered to other addresses, or applications received after the closing date will not be accepted.

Eligible costs

Rules for the determination of eligible costs will be laid down by the international development cooperation coordinator in the form of recommendations in the Czech International Development Cooperation Project Cycle Manual.

Ineligible costs

Rules for the determination of ineligible costs will be laid down by the international development cooperation coordinator in the form of recommendations in the Czech International Development Cooperation Project Cycle Manual.

Form and amount of grants and conditions for the award thereof

Here the grantor shall specify the financial limits for individual themes for the subsequent year (if multiannual projects are forecast, financial limits for subsequent years, in accordance with the approved international development cooperation plan).

1. There is no legal entitlement to the provision of a grant, and the reasons for rejecting a grant are notified to individual tenderers in the form of a letter sent by the grantor. A rejection is final and no complaints or appeals may be lodged against it. A grant is awarded by means of a Decision of the grantor.
2. Grants will be provided to beneficiaries in the form of non-cash transfer to their bank account, in instalments after each stage. The grantor may grant deposits at an amount not exceeding the costs connected with the implementation of activities in the following stage of work.
3. A grant may be used to cover eligible costs incurred after the issue of a Grant Decision. The use of a grant to cover costs incurred before the issue of a Decision is subject to the ministry's approval. Administrative indirect costs (overheads) must not exceed 7% of direct project costs.
4. The implementation of the whole project, including the use of the grant, must be recorded by the implementer in such a manner that the relevant accounting cases can be retrieved in all cases.

Selection criteria

The grantor clearly defines the selection criteria which will be applied in the grant award decision-making process. Criteria specific to development cooperation shall be recommended by the coordinator in the Manual.

Particulars of a grant application and how to submit an application

1. Applicants submit grant applications to the grantor in writing and in an electronic version.
2. The grant application includes a draft project prepared by the applicant, structured according to the model outline referred to in Annex II of these Rules and complying with the conditions of the advertised grant scheme.
3. The draft project prepared and presented by the applicant must contain a cover page based on the graphic design referred to in Annex IIA, a completed project identification form as referred to in Annex IIB, a completed table of outputs and the financial framework of the project as referred to in Annex IIC, a budget drawn up in accordance with the model budget structure referred to in Annex IID and a schedule of

Particulars of a grant application and how to submit an application

project activities drawn up in accordance with Annex IIE.

4. The following documents constitute an integral annex to the grant application:
 - a) documents on legal personality in keeping with the legal form of the applicant;
 - b) documents on the election or appointment of the senior representative, together with a document confirming the representative's authorization to act in the name of the entity in external matters,
 - c) a copy of a document on the assignment of the registration number and the certificate on the registration of a VAT number, if assigned,
 - d) the original of a document from the locally competent revenue office and district social security administration, not more than six months old, confirming that the applicant has no overdue liabilities with them;
 - e) a copy of a contract on the opening of a current account at a financial institution in the Czech Republic;
 - f) affirmation that the applicant has no overdue liabilities vis-à-vis payments to the social insurance system, vis-à-vis health insurance companies, the Customs Administration, the Land Fund, the National Property Fund, the State Environmental Fund, and the State Agricultural Intervention Fund; deferment of the payment of outstanding liabilities cannot be considered settlement of such liabilities;
 - g) affirmation that the application has no overdue liabilities vis-à-vis the national budget;
 - h) a list of individual projects which the applicant has already implemented in the past with the contribution of funds from the Czech national budget, with a specification of the project name and contract number, or grant decision;
 - i) a list of organizations or institutions where the applicant is simultaneously applying for the provision of funds to implement the presented project.
5. The list of required documents may be amended or supplemented in the terms and conditions of the notified grant scheme based on its specific nature. The grantor may enable the applicant to supply some documents at a later date. The required officially certified copies of documents must be attached solely to the original of the application.
6. The grant application, draft project and completed forms in two originals, together with the prescribed annexes are in an electronic version and may be submitted by registered post or in person at the registries of the ministries. (The number of copies required will be elaborated on within the framework of the individual advertised grant schemes.)

An application is submitted to the grantor's address in an envelope labelled:

- a) with the name and code of the grant scheme;
- b) with the applicant's full name and address;
- c) with the text 'Do not open'.

The grantor's precise address, where applications are to be sent, will be specified in the grantor's website together with the notification of grant schemes. The delivering party will receive written proof of receipt.

Sanctions for failure to comply with the terms and conditions of the notified grant scheme

In the event of a breach of the terms and conditions of the Grant Decision, penalties will be imposed on the grant beneficiary in accordance with Section 44a of Act No 218/2000 on budgetary rules.

Annexes

1) A model Grant Decision, including binding conditions, will be provided in an annex to the notified grant scheme (the model text of the Decision will be given in the Manual).

The Grant Decision must be drawn up in writing and contain inter alia:

- a) the name, registered office, and registration number of the grant beneficiary;
- b) the grantor's name and address;
- c) the clearly formulated purpose for which the grant is provided;
- d) the amount of funds provided (part of the decision is the general planned cost budget of the project);
- e) the method of disbursement of the grant to the beneficiary, a payment schedule;
- f) the binding indicator of the implementer's financial participation;
- g) the effective date of eligible costs;
- h) the date of project completion (a project is completed on completion of all planned activities);
- i) a reference to the content and validity of the rules on the provision of funds for international development cooperation;
- j) a reference to the content of rules for the determination of eligible costs;
- k) a specification of the force and effect of the Grant Decision;
- l) the date of issue of the Decision.

In the grant decision, the grantor may remove conditions which are less serious or may state which breaches of conditions are less serious.

2) An integral part of the grant decision is the project document structured in accordance with the model outline referred to Annex II of these Rules and containing a model cover page arranged in accordance with the graphic design referred to in Annex IIA, a completed project identification form referred to in Annex IIB, a completed table of outcomes and the financial framework of the project referred to in Annex IIC, a budget drawn up in accordance with the model budget structure referred to in Annex II D, and the drafted schedule of project activities referred to in Annex IIE.

A. Notification of the grant scheme

A grant scheme is advertised by the ministry in a manner ensuring transparency and non-discrimination of the grant process, i.e. via:

- the official journal;
- the ministry's website;
- the national press, with a reference to a detailed description of the grant scheme.

C. Evaluation of applications

1. Incoming grant applications will be processed by the administrator (an employee of the ministry) especially as regards:
 - a check of formal correctness,
 - an assessment of applications based on the criteria notified in the terms and conditions of the grant schemes.
2. The administrator presents the written evaluation to the evaluation committee.

3. An evaluation committee is set up by the ministry together with the coordinator for each notified grant scheme. Its task is the preparation of a list and selection of projects recommended for co-financing from the national budget, including the amount of the proposed grant.

The evaluation committee comprises at least five members, i.e.:

- a) two members from the ministry (one from the department processing development cooperation, one from a specialist workplace);
- b) one representative of the coordinator/Development Centre;
- c) two independent experts for development cooperation.

Evaluation committee members are obliged, prior to the evaluation committee meeting, to sign a declaration confirming impartiality and confidentiality.

4. The evaluation committee selects projects and determines the recommended amount of the grant. In the evaluation of tenders, the grantor takes into account criteria specific to development cooperation as recommended by the coordinator in the Manual, or sets supplementary criteria. The evaluation committee also proposes a list of reserve projects in case any of the applicants fails to return to the provider a signed Decision that has been delivered to the applicant.
5. The evaluation committee publishes the result of the selection within 14 calendar days on the website of the grantor, coordinator and Development Centre.
6. After publication, the grantor issues and delivers to the applicant a 'Grant Decision' in accordance with Act No 218/2000.

D. Award of a Grant Decision

1. After publication, the grantor delivers to the applicant a 'Grant Decision' in accordance with Act No 218/2000.
2. The grantor delivers the Decision to the applicant within 14 calendar days of the date of the evaluation committee meeting in accordance with a uniform specimen in four copies.
3. Grants will be provided to beneficiaries in the form of non-cash transfer to their bank account, in instalments after each stage. The grantor may grant deposits at an amount not exceeding the costs connected with the implementation of activities in the following stages of work.

Procedure in case of subcontractor relations

If the selected tenderer seeks part of the performance under part of the awarded grant from a third party and this performance meets the particulars of a public contract under Section 6 of Act No 40/2004, the implementer is obliged to contract such performance in accordance with Section 18 of Act No 40/2004. This also concerns cases where the subcontractor does not have its registered office on the territory of EU Member States.

MODEL STRUCTURE OF PROJECT DOCUMENT

A project document within the scope of Czech international development cooperation contains the following parts:

- 1) a cover page with the graphic design as referred to in Annex IIA to these Rules;
- 2) a duly completed project identification form as referred to in Annex IIB to these Rules;
- 3) a description of the initial situation (a brief description of the initial situation, sources of input information, the method for the processing and evaluation thereof);
- 4) a definition of the target group for whom the implementation of the project is intended, and the characteristics of other stakeholders;
- 5) the clearly formulated development plan of the project (the expected final benefit and effect for the recipient country);
- 6) the briefly defined objectives and outputs of the project (the method or procedure to achieve them, a quantification of measurable outputs);
- 7) the proposed procedure for the implementation of the project (individual steps and methods to ensure the outputs and objectives are reached, a description of sub-stages of implementation);
- 8) the staffing of the project implementation (the roles and qualification requirements of individual implementers, their practical experience);
- 9) factors concerning the sustainability of project outcomes;
- 10) analysis of risks and expectations;
- 11) a duly completed table of outputs and the financial framework of the project as referred to in Annex IIC to these Rules;
- 12) a realistically and truthfully prepared general cost budget for the project in accordance with the model structure under Annex IID to these Rules;
- 13) the schedule of project activities on the form referred to in Table IIE to these Rules;
- 14) approval of inclusion in the grantor's database, a statement of consent to the publication of identification information about the applicant, and the amount of the grant published on the grantor's website, in accordance with Act No 101/2000.

The coordinator/ministries may develop this document structure.

In cases of public contracts and contracts up to CZK 2 million

- A. The contracting authority (ministry) includes the following in the tender dossier:
 - a completed project identification form (except the determination of the amount earmarked for the project and information about the implementer),
 - a completed table of outputs and the financial framework of the project (except activities and amounts assigned to individual outputs and activities),
 - information in accordance with points 3) to 6) of the structure.
- B. The following are added to the tender by the tenderer:

- a cover page,
- a schedule of project activities,
- consent to inclusion in the database and to the publication of information (as per point 13),
- the text in accordance with points 7) to 10) of the structure
- in the project identification form, the total amount requested for the project and information about the tenderer,
- in the table of outputs and the financial framework of the project, individual activities.

The addition of amounts assigned to individual outputs and activities in the table of outputs and the financial framework and processing of a budget in accordance with the structure are recommended to tenderers.

In cases of grant schemes under Annex IC to these Rules:

- A. The contracting authority specifies information about the grant scheme in the project identification form.
- B. The implementer prepares the project document in accordance with the above-mentioned structure, including the completion of all Annex forms so that the development plan of the project conforms to the relevant theme approved in the international development cooperation plan.

CZECH REPUBLIC

COORDINATING MINISTRY

**PROJECT OF DEVELOPMENT COOPERATION
BETWEEN THE CZECH REPUBLIC
AND
PARTNER COUNTRY**

PROJECT NAME

YEARS OF IMPLEMENTATION

IMPLEMENTER



**INTERNATIONAL DEVELOPMENT COOPERATION PROJECT
IDENTIFICATION FORM**

Project name: Based on the specification of the cooperation theme approved in the international development cooperation plan.		Project number: assigned by the contracting authority
Partner country: official name of the country in which the project is implemented	Place of project implementation: Province/district/locality in which the project is implemented	
Coordinating ministry:	Sector-focus of project:	
Estimated date of project launch: month/year	Estimated date of project completion: month/year	
Total amount of resources for the project from the Czech Republic's international development cooperation (CZK):	Total amount of resources for the project inclusive of co-financing (CZK):	
Project implementer: organization / responsible implementer (name, address, contact details): name, type, mailing and web address of organization; name and position of responsible implementer, phone, fax, e-mail		
Partner organization in the country of project implementation (name, address, contact details): name, type, mailing and web address of organization; name and position of responsible representative, phone, fax, e-mail		

Place, date, name and signature of project author:

TABLE OF OUTPUTS AND FINANCIAL FRAMEWORK OF PROJECT

ANNEX II C

Project name and identification number of theme under the international development cooperation plan:			
Partner institutions:			
Development plan of object:			
Objectives of the project: 1. 2. 3.			
PROJECT OUTPUTS	ACTIVITIES within the scope of the project	Objectively verifiable indicators for individual outputs	Expected financial inputs for individual activities
Output 1.1	Activity 1.1.1		
Timeframe to achieve output:	Activity 1.1.2		
Output 1.2	Activity 1.2.1		
Timeframe to achieve output:	Activity 1.2.2		
Output 2.1	Activity 2.1.1		
Timeframe to achieve output:	Activity 2.1.2		
Output 2.2	Activity 2.2.1		
Timeframe to achieve output:	Activity 2.2.2		
Output 3.1	Activity 3.1.1		
Timeframe to achieve output:	Activity 3.1.2		
TOTAL PROJECT COSTS			

* Individual fields of the table may be expanded depending on the nature of the project.

SCHEDULE OF PROJECT ACTIVITIES

<i>Estimated calendar month/year</i>												
Activities / months since project launch <i>(based on the table of outputs and financial framework)</i>	1	2	3	4	5	6	7	8	9	10	11	12
Project management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Objective 1												
Output 1.1												
Activity 1.1.1												
Activity 1.1.2												
Output 1.2												
Activity 1.2.1												
Activity 1.2.2												
Output 1.3												
Activity 1.3.1												
Activity 1.3.2												
Objective 2												
Output 2.1												
Activity 2.1.1												
Activity 2.1.2												
Output 2.2												
Activity 2.2.1												
Activity 2.2.2												

The fact that the implementation of activities is planned for particular months is indicated in the table by the ticking of the relevant fields (see the line 'Project management') or in another clear manner.

**USE OF THE OFFICIAL LOGO OF INTERNATIONAL DEVELOPMENT
COOPERATION**

The use of the official logo of international development cooperation (see below) is governed by rules laid down in the Manual for the Use of the International Development Cooperation Logo, published by the international development cooperation coordinator.

