

Programme CZ 08 Pilot studies and Surveys on CCS Technology

1st Call for submission of applications for a grant to Individual Projects

from Norway Grants 2009-2014

The Ministry of Finance as the Programme Operator in cooperation with the Ministry of the Environment – the Programme Partner

opens on 31th March 2014 the 1st Call for submission of applications for a grant to Individual Projects from Norway Grants under the programme **CZ08 Pilot Studies and Surveys on CCS Technology (Carbon Capture and Storage)** aimed at activities of potential individual projects – applications for a grant – concerning the areas specified below.

The overall objectives of Norway Grants are to contribute to the reduction of economic and social disparities in the European Economic Area and to strengthening the bilateral relations between Norway and the Beneficiary States.

The CZ08 programme fits into the Carbon Capture and Storage priority sector which objective is to mitigate climate changes through increasing knowledge and transnational cooperation on CCS and capture and storage of CO₂.

The expected outcome of the CZ08 Programme is increased knowledge and transnational cooperation on CCS.

I. Allocation for the 1st Call

Allocation for the 1st Call is 155,763,567 CZK (6,280,789 EUR).

Allocation for this call is indicatively distributed into two programme outputs as follows:

Programme area	CZK	Output	CZK
Carbon capture and storage (CCS)	155,763,567	Completed surveys to explore the possibilities of the practical application of CCS technology in the Czech Republic, methods proposed for the capture, transport and storage of CO ₂	124,000,000

		Increased knowledge of staff working in the state and public administration and awareness of the general and professional public in CCS technologies	31,763,567
--	--	--	-------------------

II. Eligible applicants

Output 1 – Completed surveys to explore the possibilities of the practical application of CCS technology in the Czech Republic, methods proposed for the capture, transport and storage of CO₂

- public entities
- private entities
- non-governmental organisations

Output 2 – Increased knowledge of staff working in the state and public administration and awareness of the general and professional public in CCS technologies

- public entities
- unions of municipalities
- non-governmental organisations
- scientific research organisations
- state organisations and state enterprises

Eligible applicants:

- must be legal person

III. Eligible partners

The priority of Norway Grants 2009-2014 is to strengthen bilateral relations between Czech and Norwegian entities. Applications may (partnership is not obligatory) therefore be submitted in partnership with relevant partner institutions from Norway. Eligible expenditures to support and strengthen partnerships may be included in the grant application budget.

Eligible project partner is a public or private entity, commercial or non-commercial, as well as nongovernmental organisations, all of whose primary locations are either in Norway, the Czech Republic, or any inter-governmental organisation, actively involved in, and effectively contributing to, the implementation of a project. It shares with the Project Promoter a common economic or social goal which is to be realised through the implementation of that project.

IV. Eligible activities

To increase the knowledge and transnational cooperation in the CCS	To perform surveys aimed at exploring the possibilities of the practical application of CCS technology in the Czech Republic, to propose methods for the capture, transport and storage of CO ₂
	To enhance the knowledge of staff working in the state and public administration and awareness of the general and professional public in CCS technologies

The project may only take place on the territory of the Czech Republic. In case of projects implemented in partnerships with institutions from Norway, some of clearly defined activities may be implemented on the territory of Norway.

For more information see Guidelines for Applicants.

V. Eligible expenditures

To be considered eligible, costs must be included and approved in the budget of a grant application. Costs which are not provided for in the budget of a grant application are not eligible for financing, even if they comply with all other signs of cost eligibility.

Costs must be necessary for project implementation, must be directly linked to implementation of project activities and lead to achieving project aims (i.e. must be incurred on items listed in the approved grant application).

To be considered time eligible, costs must be incurred during the eligibility period of the project implementation, as defined in the project contract. Costs are eligible from the date of grant approval until the final date for costs eligibility.

Costs relating to new buildings or technical upgrade of existing buildings, purchase of real estate, purchase of new equipment or furnishing of a tangible nature and expenditure on intangible property are considered eligible on condition of their compliance with the Guidelines for Applicants and the Regulation on implementation of the Norwegian Financial Mechanism 2009 – 2014 are followed.

Purchase costs of new or used equipment are eligible provided that the purchased equipment is an integral and necessary component for the implementation or development of a technology that is essential for achieving the outcome of the project. This property must be recorded in accounting and property inventory of durable goods of the beneficiary in line with accounting rules.

Project Promoters shall:

- a. Keep the excepted equipment in their ownership for a period of at least five years following the completion of the project and continue to use that

- equipment for the benefit of the overall objectives of the project for the same period;
- b. Keep the excepted equipment properly insured against losses such as fire, theft and other normally insurable incidents both during project implementation and for at least 5 years following the completion of the project; and
 - c. Set aside appropriate resources for the maintenance of the excepted equipment for at least 5 years following the completion of the project.

The specific means for implementation of this obligation shall be specified in the project contract; provided however that the Programme Operator may release any Project Promoter from the above obligations with respect to any specifically identified excepted equipment where the Programme Operator is satisfied that, having regard to all relevant circumstances, continued use of that equipment for the overall objectives of the project would serve no useful economic purpose.

In case of durable tangible or intangible goods, the eligible costs are equal to the tax depreciation. The depreciation of the applicant's existing property, which is necessary for the project implementation, is also applicable.

Indirect costs – overheads are costs necessary for implementation of the project. Applicants may identify overheads either based on actual costs from analytical accounting system or opt for a flat rate up to up to 20 % of its total direct eligible costs, excluding its direct eligible costs for subcontracting and the costs of resources made available by third parties which are not used on premises of the Applicant. In case of research projects (or research component/s of a project) submitted within the output 1 - Completed surveys to explore the possibilities of the practical application of CCS technology in the Czech Republic, methods proposed for the capture, transport and storage of CO₂ a flat rate may be up to 60%. More information, including the methodology of indirect costs' calculation is described in the NFP Guideline for eligible expenditures and the Guidelines for Applicants.

Costs related to sub-contracting services are eligible on condition that the sub-contracted services will contribute to project implementation and prove to be an added value to the project. Guidelines for Applicants will provide more information on specification and division of these costs into specific budget items.

Personnel costs are costs related to employment of workers, who serve specific professional action, which is needed for accomplishment of projects goals, i.e. employment directly connected to content of project realization and costs related to workers of the Applicant who relate to project management or financial management.

Costs incurred in relation to business travels of the personnel of the final beneficiary and its partners made in connection with project implementation are eligible.

For VAT charges to be considered eligible, the payer must not be in position to recover the VAT paid for assets and services required for the project. The information on whether the applicant is/ is not payer of VAT must be included in the submitted application.

VI. Amount of the grant – co-financing – advance payment – system of payments

- the minimum grant amount is 6,200,000 CZK; for the first output the maximum grant amount is 124,000,000 CZK whereas for the second output the maximum grant amount is 31,763,567 CZK;
- the project implementation period must not be longer than 18 months;
- the final date for costs eligibility is **30th April 2016**.

The maximum grant rate shall be determined with respect to legal form of the applicant:

- | | |
|---|-----------------------------------|
| • public entities | 80% |
| • private entities | 60% |
| • unions of municipalities | 80/60% (depending on the statute) |
| • non-governmental organisations | 90% |
| • scientific research organisations | 80% |
| • state organisations and state enterprises | 80% |

For more information see the Guidelines for Applicants.

- The applicant can apply for an **advance payment** to finance the project that may not exceed 20 % of the awarded grant or 2 million CZK, whichever is lower. Applicants shall justify their request for advance payment;
- The expenditures of the project promoters will be paid **ex post** according to the expenses incurred (the application for interim payments will be submitted together with relevant monitoring reports; monitoring reports are submitted for the period of 4 months). The project promoter will submit lists of paid documents, bank account statements and copies of relevant invoices.

The applicant has no legal right to get the grant.

VII. Period of the call – deadline for the call – submission of applications

- Applications can only be filled in and submitted electronically through the information system IS CEDR by **16th June 2014, 15:00**;
- Applications and annexes must bear the qualified electronic signature (the certificate must contain the registration number of the organisation) of the applicant's authorised representative.

Applicants who do not have an electronic signature have to arrange for it;

- Applicants must also arrange for opening of a data box to communicate with the Programme Operator – the Ministry of Finance;
- The IS CEDR can be entered via www.norwaygrants.cz; **button CEDR**;
- The full text of the Open Call, Guidelines for Applicants (in Czech) and other information are available at <http://www.eeagrants.cz/en/programmes/norway-grants-2009-2014/cz08-carbon-capture-and-storage/cz08-calls> or

http://www.mzp.cz/en/eu_funds_and_schemes

- All the required annexes must be attached to the application – see the Guidelines for Applicants;

- Standardised annexes can be downloaded from

<http://www.eeagrants.cz/cs/programy/norske-fondy-2009-2014/cz08-zachycovani-a-ukladani-co2/cz08-vyzvy>

or http://www.mzp.cz/cz/financni_mechanismy_ehp_norska ;

- If having any technical troubles with the preparation and submission of your application, you can contact the person named on the initial page of the IS CEDR; **Contacts**;
- Application and annexes can be prepared and completed gradually one by one. We recommend submitting your application well prior to the deadline. Leaving the submission of your application to the last moment could cause trouble as the system may become overloaded;
- During the course of evaluation of the application the applicant can be invited to submit some of annexes in paper form (large format files, drawings, etc.).

VIII. Information on application processing

- applications, including their annexes, will be filled in standardised format (if there is a standardised template of the particular annex – see Guidelines for Applicants) in the Czech language;
- project expenses will be provided in CZK.

The information necessary for the filling in and submission of the application is provided in this Call, the Guidelines for Applicants, the legend and help in the IS CEDR.

IX. Publicly available documents (regulations, instructions and methodologies) for implementation of the EEA and Norway Grants 2009-2014

Documents are available at the following websites:

The Financial Mechanism Office (mainly the Regulation on the implementation of the Norway Grants 2009-2014)	http://eeagrants.org/Results-data/Results-overview/Documents/Legal-documents
National Focal Point / Programme Operator	www.mfcr.cz ; www.norwaygrants.cz http://www.eeagrants.cz/cs/zakladni-informace/zakladni-dokumenty
Programme Partner	http://www.mzp.cz/cz/financni_mechanismy_ehp_norska

X. Application evaluation process

1) Evaluation of formal elements and eligibility

Review of formal requirements and eligibility criteria will be carried out by the Programme Partner in accordance with the established criteria.

Applications which do not meet the criteria for formal requirements and eligibility will be rejected from further evaluation. Using the IS CEDR, applicants can appeal against rejection of their application within 5 working days from having received the message through the IS CEDR.

2) Evaluation of the quality of applications by external evaluators

Each application is evaluated by two external experts. The final score of this external evaluation is given by the arithmetic mean of evaluations.

If the difference between the final score calculated from scores awarded by the two experts is more than 30 % of the higher score, the application will be evaluated by a third expert. The final score will be the average score of two closest scores.

3) Evaluation of applications by the selection committee

The selection committee receives a list of all projects evaluated in respect of their quality. The projects are listed according to the final score awarded by external evaluators. The selection committee shall review the submitted projects and provide the Programme Operator – the Ministry of Finance – with a list of recommended projects, including reserve projects. The Selection Committee may modify the ranking of the external evaluators in justified cases.

4) The Programme Operator verifies the process of evaluation of applications and individual recommended applications, including the verification on site.

- 5) Based on the verification results, the Programme Operator decides whether or not the grant shall be awarded and informs the Applicant about the PO decision and next administrative steps.

XI. Administrative and eligibility criteria and criteria for evaluation of quality of applications

1) Review of administrative and eligibility criteria

a) Review of administrative criteria:

- The application includes the electronically signed application document as well as all the required annexes in accordance with the Guidelines for Applicants.

Annexes required to the application:

Obligatory annexes:

- Grant document (i.e. Application form generated by the IS CEDR and signed by the electronic signature)
- Declaration on project financing
- Declaration of the applicant
- Confirmation of applicant's legal form
- Detailed description of project activities
- Documents for check of financial health of applicant

Obligatory annexes only if relevant for the particular project/application – In case that an annex is not relevant for the application the applicant will attach an annex stating “not relevant for this application” with short explanation why it is not relevant

- Authorisation to sign the application
- Declaration on ownership of property
- Partnership declaration (a separate declaration for each partner)
- Detailed budget of budgetary chapter Works
- Technical documentation
- Declaration on ownership of depreciated property

Detailed information is included in Guidelines for Applicants.

b) Eligibility criteria:

- The applicant is eligible.
- The partner(s) is/are eligible (if partnership is applied).

- The project complies with the focus of the call (programme area, results, and outputs).
- The place of the project implementation complies with the conditions of the call. The project may only take place on the territory of the Czech Republic. In case of projects implemented in partnerships with institutions from Norway, clearly defined activities may be implemented on the territory of Norway.

c) Criteria for evaluation of quality of applications:

Detailed evaluation criteria for quality of the application	
Evaluation criterion	Max. score of the particular criterion/sub-criterion (of 100 available points)

1.	The applicant's capability and readiness to implement the project	17
1.1.	The applicant (or partner(s) has an appropriate <u>administrative capacity</u> to ensure the implementation of the project, including the Programme Operator's requirements for regular monitoring of the implementation. The management organisational structure, technical preparation and implementation of the project are clearly defined, including the roles of external assistance to the applicant (if suggested by the applicant). Taking into account the roles entrusted to the external TA (if suggested by the applicant), the applicant has a sufficient technical capacity to implement the project and successful implementation of the project can therefore be anticipated. The roles of individual partners in the project implementation are defined in a clear and detailed manner (in case of a partnership in the project).	10
1.2.	The applicant has experience with the management and completion of at least one project in the area of the environment and sustainable development.	2
1.3.	The publicity of the project is clearly described, including individual promotional activities.	2
1.4.	The project focuses on storage of CO ₂ (geophysical investigation of potential repository, including reflection seismology, deep boreholes, and identification of physical properties of rocks).	3
2.	Significance (relevance) of the project	21
2.1.	The project <u>significantly contributes to the fulfilment</u> of outputs of the Programme specified in the application. (The project's orientation can contribute to several outputs of the Programme.)	6
2.2.	The project clearly contributes to achievement of the goals of the related conceptual and strategic documents (local/regional/sector), or it continues in the outputs of the implemented project.	3
2.3.	The project's justification is based on qualified support documents (e.g. an analysis of needs).	6

		The set result of the project is achievable and complies with indicated outputs of the project. (NB: the project may have several results)	
	2.4.	The global goal of the project complies with the required result of the programme in the particular programme area. The project's impact corresponds with the needs of the main target group on which the project is focused. The applicant cooperates with target groups in the course of the project implementation. The degree of target groups' engagement in the project implementation – direct/indirect; active/passive.	6
3.		Project structure, risks, activities and outputs	32
	3.1.	The project structure is clearly defined. Individual activities and their outputs are clearly described in the project, including their link. Project activities are mutually complementary.	10
	3.2.	The proposed project activities <u>are necessary for achievement of the project result</u> specified in the application. (The project may have several results.)	8
	3.3.	The proposed schedule of the project implementation is clear, achievable and corresponds with the needs for implementation of activities with respect to their content and relation. The schedule also takes other factors into proper consideration, such as the possibility of performing works with regard to climatic conditions.	4
	3.4.	The project logframe provides clear and well-arranged information on the relevance of the project to the programme, including the indicators and sources for their verification (outputs, results, goal). Both initial and final indicator values are realistic; indicators are quantifiable and objectively measurable in quantity and in time. The sources of indicator verification are provided and will be available and suitable for the verification of initial and target indicator values.	4
	3.5.	The project risks are clearly defined and relevant, including the measures proposed for their elimination, to ensure smooth implementation of the project.	6
4.		Cost-effectiveness and sustainability of the project	15
	4.1.	The items listed in the indicative budget <u>are necessary</u> for implementation of individual activities. Purchase of new equipment is included in the purchase price. Clear quantification of units of individual budget items in measurable units is documented. The proposal of individual budget items complies with the project and its activities; their amount is adequate and corresponds with the cost of similar projects (e.g. based on comparison with similar projects). Unit prices correspond with the usual market price. Total project costs are adequate to achieve the expected results of the project = programme outputs.	12
	4.2.	The sustainability of project results is described, reaches the minimum period stated in the call and the method of achieving it is clearly described.	3

5.	Horizontal (cross-cutting) policies	15
5.1.	Application of proper governance principles by the applicant (transparency of the applicant – websites, financial statements, annual reports; proper settlement of liabilities and effective management without over-indebtedness).	2
5.2.	The project respects the principles of sustainable development – influence on the environment and mitigation of potential effects.	5
5.3.	The project contributes to the strengthening of bilateral relations with Donor States.*	8

* No partnership is foreseen – 0 points; The project will be run in a partnership established entirely for the purpose and duration of the project implementation – 3 points; The project will be run in a partnership with the effect of strengthening mutual relations. The nature and description of the project give right to assume that the mutual co-operation will continue beyond the duration of the project – 6 points; There is a long-term relationship established between project partners. The project promotes co-operation between the partners – 8 points.

Note: The project has to respect principles of sustainable development and gender equality. Projects which do not respect these principles will be rejected.

XII. Additional information

Questions can be

- raised by telephone - number +420 267 122 887;
- emailed to eeagrants@mzp.cz; no sooner than on the first day of the open call and no later than 5 working days prior the last day of the call;
- replies will be sent to an applicant within 5 working days, no later than on the last day of the call.

Only written answers are binding.

Frequently asked questions and answers related to the 1st Call will be published in the Questions and Answers section at http://www.mzp.cz/cz/financni_mechanismy_ehp_norska.