

The Centre of European Projects

**Rules of the competition**

**Operational Programme Knowledge Education Development**

*Priority Axis IV Social innovation and transnational cooperation*

Measure 4.3 Transnational cooperation

**Competition No POWR.04.03.00-IP.07-00-002/17**

**for the functioning of a cooperation network in the area of supporting the ESF  
enabling the exchange of experiences and mutual learning.**

Approved by:

Director of the Centre of European Projects

Leszek Buller

Warsaw, 22 June 2017.

## 1. GENERAL INFORMATION

### 1.1 Basic information about the competition

The CEP, acting as the IB for the OP KED, announces the competition No **POWR.04.03.00-IP.07-00-002/17** for the functioning of a cooperation network in the area of supporting the ESF enabling the exchange of experiences and mutual learning **under Priority Axis IV *Social innovation and transnational cooperation*, Measure 4.3 *Transnational cooperation* of the OP KED.**

Co-financing applications may be submitted under three subjects<sup>1</sup>:

1. Developing solutions aimed at preventing the “economic twilight zone” phenomenon in the field of undeclared work in Poland, based on building a network of partnership.
2. Developing solutions aimed at increasing the competence of public administration officials responsible for public safety, based on building a network of partnership.
3. Developing solutions aimed at supporting Polish family enterprise, based on building a network of partnership.

Co-financing applications will be accepted from **31.08 to 15.09. 2017** in accordance with the conditions described in the Rules of the competition. Applications submitted before and after the starting date of the call for applications will be rejected at the stage of the formal assessment.

### 1.3 The amount allocated for the competition

The amount allocated for the competition is **EUR 15,000,000.00** (including the maximum amount of co-financing EUR 14,550,000 ).

After selecting the winner, the institution announcing the competition (IOK) may increase the amount allocated for co-financing the project under the competition.

The IOK reserves the right not to allocate all the funds available within the framework of the allocation for a given competition/ subject.

### 1.4 Objective and subject of the competition

The objective of the competition is to develop and implement new solutions resulting from cooperation with foreign partners, in the thematic areas in which the competition is organised.

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<sup>1</sup> As part of this competition, it is not envisaged to finance mobility actions which may be implemented under the Measure 4.2. only. *Transnational mobility programmes* of the OP KED.

**The subject of the competition are projects for the functioning of a cooperation network in the area of supporting the ESF enabling the exchange of experiences and mutual learning, in cooperation with foreign partners.**

The transnational cooperation project for the functioning of a cooperation network in the area of supporting the ESF enabling the exchange of experiences and mutual learning is a project implemented by the institutions operating in similar thematic areas and providing mutual support to improve the effectiveness of implementing actions aimed at solving joint problems and/or to facilitate and improve the quality of the functioning of the given institution(s).

Projects submitted in response to the competition should contribute to achieving the objectives of the OP KED, in particular, must match the implementation of the specific objective of the Measure 4.3 *“Implementation of new solutions, in particular regarding professional activation, lifelong learning and developing and pursuing public policies, through cooperation with foreign partners”*.

The implementation of transnational cooperation projects, through which new solutions will be developed, should also contribute to increasing the efficiency of other interventions supported under the ESF.

## **2.2. Definitions and description of the importance of the selected<sup>2</sup> access criteria and additional points criteria**

### **Criterion No 1**

**The project is implemented by at least 4 entities, of which at least one is a transnational partner from a European Union country other than Poland while the applicant is a Polish entity.**

#### **Definition of the criterion:**

The applicant is required to show in its application that the project is implemented within a network created by at least 4 entities, which means the applicant and three partners, of which at least one is a transnational partner<sup>3</sup>.

The entity coming from another European Union country means an entity having its registered office or branch in the European Union country other than Poland. The entity coming from Poland means an entity having its registered office or branch in Poland.

### **Criterion No 2**

**The project provides for the functioning of a cooperation network, i.e. it is implemented by the entities operating in similar thematic areas, so as to improve the effectiveness of implementing actions aimed at solving joint problems and/or to facilitate and improve the quality of the functioning of the given entity(-ies).**

#### **Definition of the criterion:**

<sup>2</sup> Selected, i.e. all access criteria in addition to the general formal criteria, whose definitions and description of the importance are listed in point 5.2.3.1 of the Rules.

<sup>3</sup> With the exception of subject No 1, where two transnational partners are required – see critterion No 13.

A cooperation network is formed by all partners mentioned in point 2.1 and 2.9 of the co-financing application, i.e. the applicant and national and transnational partners, of which at least one must be a transnational partner.

The institutions operating in similar thematic areas are entities operating within the area specified by the subject of the competition (i.e. investment priority), under which the co-financing application is submitted.

Providing mutual support under the network project consists, in particular, in exchanging experiences, information, good practices, mutual learning among the entities forming the network, in order to improve the effectiveness of implementing actions aimed at solving joint problems and/or to facilitate and improve the quality of the functioning of the given institution(s).

Improving the effectiveness of implementing actions aimed at solving joint problems and/or to facilitate and improve the quality of the functioning of the given institution(s) means, e.g.: enhancing the level of services provided by individual entities, developing their management systems, increasing satisfaction of persons using the services provided by these entities, etc..

### **Criterion No 3**

The project submitted under the competition is implemented exclusively within the framework of one subject of transnational cooperation out of those indicated in the competition (below):

- 1) Developing solutions aimed at preventing the “economic twilight zone” phenomenon in the field of undeclared work in Poland, based on building a network of partnership.
- 2) Developing solutions aimed at increasing the competence of public administration officials responsible for public safety, based on building a network of partnership.
- 3) Developing solutions aimed at supporting Polish family enterprise, based on building a network of partnership.

#### **Definition of the criterion:**

The applicant must include into the body of the application under which subject, out of three allowed in the competition, the project is submitted.

### **Criterion No 4**

**The project uses at least two types of transnational cooperation activities from among the following:**

- 1) developing and implementing the new solution(s);**
  - 2) transferring, adapting and implementing the new solution(s);**
  - 3) simultaneous creating and implementing the new solution(s);**
  - 4) exchanging information and experiences,**
- while exchanging information and experiences is obligatory.**

**Definition of the criterion:** At least two transnational cooperation activities mentioned in the criterion must be used in the project, while “Exchange of information and experiences” is obligatory. It is the project promoter who decides on selecting the above-mentioned activities and combining them with the activity “Exchange of information and experiences” which may not go alone.

The project promoter should clearly indicate in the application what types of the above-mentioned transnational cooperation activities will be implemented in the project.

The typology of transnational cooperation activities has been described in point 1.5 of the Rules: Types of transnational cooperation activities.

The project promoter must also describe the novelty of the solution, including a **justification indicating why, according to the project promoter, the solution should be considered as new, what elements of the developed solution are new. It is not enough just to declare that the solution is new in order to meet the criterion.**

Definition of a new solution: new solution is a product of the transnational cooperation project, developed in cooperation with the transnational partner (or partners), which in its entirety, part of in a specific form has not been encountered in Poland before.

## **Criterion No 5**

**The co-financing application includes a concept of putting the solution developed under transnational cooperation into practice, including after the completion of the project.**

### **Definition of the criterion:**

Putting the solution into practice means that a new instrument/tool/approach developed under the project is used in practical terms, in accordance with the objectives set out in the co-financing application.

Owing to the durability of the results of the project, the beneficiary is obliged to guarantee that the developed solution will be used also after the completion of the project, in a form and to the extent provided for in the co-financing application.

**Putting the developed solution into practice must be well-thought and precisely planned by the beneficiary, as early as at the stage of creating the co-financing application. The description of the concept of putting the solution into practice must include the information:**

**a) concerning the form and method of putting the solution** developed under transnational cooperation into practice and the expected type of institution(s) in which the solution will be implemented (including national partners of the beneficiary or other entities provided for in the co-financing application);

The form of putting into practice, based on a decision by the relevant manager, is dependent on the specific nature of the institution and on the solution itself.

**b) confirming the feasibility of putting the developed/ adopted solution into practice** i.e. indicating that it could be implemented directly in the project, under the current national conditions, i.e. as of the day of submitting the application (for example, without a requirement of legislative changes). **A clear declaration on that issue is required.**

**The body of the application must include a clear declaration confirming the feasibility of putting the solution into practice under the current national conditions.**

Putting the complete solution(s) into practice means putting it into practice by the entities whose substantive tasks are affected by this solution.

The new solution, which should be put into practice, and which is referred to in the above-described criterion number 4, includes the solution developed as part of transnational cooperation using at least two transnational cooperation activities mentioned in this criterion (number 4) .

### **Criterion No 6**

**The co-financing application is submitted under a transnational partnership, which means that:**

- 1) objective, product(s) and result(s) of the project must be related to transnational cooperation and demonstrate the value added of such cooperation;**
- 2) a justification for using transnational cooperation to achieve the objective of the project has been indicated**

**Definition of the criterion:**

**Ad. 1.**

**The specific objective of the project must correspond to the specific objective of the OP KED for the Measure 4.3, and the main objective of the project must be related to transnational cooperation.**

The project promoter describes the value added of transnational cooperation, in accordance with the definition of the value added, i.e. having regard to the fact that “achieving the main objective is only possible as a result of established transnational cooperation and impossible without this cooperation”; in implementing under the Polish conditions only, it would not be possible to achieve the given product, result or, in particular, through transnational cooperation these products, results may be of better quality, there are more of them or their coverage is more extensive”.

In addition, the project promoter is obliged to justify the extension of the standard project by a component of transnational cooperation and to demonstrate in the application how transnational cooperation will contribute to achieving the objective of the standard projects and how it will make the solution developed/being developed under the standard project more efficient.

The specific objective of the project must correspond to the specific objective of the OP KED for the Measure 4.3, and the main objective of the project must be related to transnational cooperation.

### **Importance of the criterion:**

**The project not meeting this criterion will be rejected at the stage of the formal and substantive assessment.**

## **Ad. 2**

**The project promoter must provide a justification of establishing transnational cooperation with the transnational partner(s) indicated in the application in order to achieve the main objective of the project. This justification should be presented in connection with the description of the added value of transnational cooperation.**

### **Criterion No 7**

**Implementation of the transnational cooperation project includes 6 stages (tasks):**

- 1) preparing a solution in cooperation with the transnational partner;**
- 2) testing the developed solution on the target group of the project, with possible support from the transnational partner;**
- 3) analysing the results of the tested solution, taking into account the opinion of the expert(s) and support from the transnational partner;**
- 4) developing with the transnational partner the final implementation version of the product taking into account the results of tests and analysis;**
- 5) putting the solutions into practice, with possible support from the transnational partner;**

**developing recommendations for the user institution in order to ensure the effective durability of the application of the developed solution, with possible support from the transnational partner. Definition of the criterion:**

The project promoter is required to describe all stages of implementing the transnational cooperation project in the co-financing application. All stages are necessary to properly implement the project and achieve its objectives. The actions 1, 3, 4 must take into account participation of the transnational partner, whereas for the stage 2, 5 and 6 the actions involving transnational partner are not obligatory. However, the IOK recommends that the transnational (foreign) partners are involved in as many phases of the implementation of the project as possible, in accordance with the needs regarding developing (including adapting) the solutions so as to obtain their highest possible quality, which also results from the value of transnational cooperation.

### **Criterion No 8**

**One entity may occur under the competition – as the applicant or partner – no more than twice in the co-financing application(s).**

#### **Definition of the criterion:**

The criterion refers to the occurrence of the entity as the applicant or partner. One entity may occur in up to 2 applications submitted in the same competition. The entity may occur twice as the application, or twice as the partner also once as the applicant and once as the partner.

Meeting the criterion is verified based on data available to the IOK, covering:

- data of the applicant (project promoter);



- data of the partner;
- title of the project.

### **Criterion No 9**

**The duration of the project indicated in the co-financing application is provided for up to 36 calendar months.**

#### **Definition of the criterion:**

The project promoter may provide for a shorter duration of the project in the application, but no longer than 36 calendar months. For calculating the duration of the project, the rules of calculating the time limits laid down in Chapter 10 "Time limits" of the Administrative Procedure Code (KPA) shall apply.

### **Criterion No 10**

**The minimum value of the project specified in the project budget is PLN 500,000.**

#### **Definition of the criterion:**

The project value means all eligible expenses that will be incurred within the framework of the project, i.e. direct and indirect costs, including own contribution.

### **Criterion No 11**

**At the stage of submitting the application in response to the competition, a letter of intent is signed, which is attached to the application, and the data of the transnational partner and tasks scheduled under transnational cooperation are included into the project co-financing application.**

#### **Definition of the criterion:**

The data of the transnational partner and tasks scheduled under transnational cooperation must be included into the project co-financing application.

The letter(s) of intention attached to the co-financing application contain(s) the information compliant with the minimum scope indicated in Annex 1 to the Rules.

### **Criterion No 12**

**The project assumes developing and implementing the solution concerning the limitation of the undeclared work phenomenon in Poland, covering the following elements:**

- **raising the awareness of employers on the benefits of declared employment of workers and negative consequences of undeclared work;**
- **raising the competence of workers of institutions responsible for planning and implementing control procedures in relation to economic operators as regards preventing the existence of the so-called economic twilight zone;**



- raising the awareness of workers on the benefits of undeclared work and negative consequences of undeclared work;
- cooperation of institutions responsible for planning and implementing control procedures in relation to economic operators;
- variant estimation of financial consequences of the proposed for public finance (predictive econometric models)

Definition of undeclared work will be clarified in the Rules of the competition.

#### **Definition of the criterion:**

The project assumes developing and implementing the solution that will take into account all elements mentioned in the criterion. The solution developed in the project should be ready for putting into practice **If the criterion is to be met, it is not enough just to mention in the application the above elements of the criterion. All elements must be a component of a new solution subject to testing and it should be clearly identified, what elements of the new solution correspond to the individual elements of the criterion.**

#### Clarification of the scope of the solution:

Undeclared work should be understood as:

- hired work performed without establishing an employment relationship, i.e. without a contract of employment, contract of mandate, contract for specific work, or any other written contract between the employer and worker, regardless of the ownership sector (also in case of natural persons and individual farms); work may not also be performed based on appointment, designation or selection; with undeclared work, a worker does not have social security and thus the rights to use social benefits; the period of performing this work is not perceived as a contribution period from the point of view of the Social Insurance Institution, and the employer does not pay social insurance contributions to the Social Insurance Institution and Labour Fund for paid remuneration; no income tax is paid from undeclared work; undeclared work is also self-employment, if no financial obligations towards the State (e.g. taxes) are fulfilled due to pursued economic activity<sup>4</sup>

The criterion will be verified based on the information contained in point 3.1.2 of the co-financing application "Indicate the main objective of the project and describe how the project will contribute to achieving the specific objective of the OP KED" and in point 4.1 of the Task.

#### **Criterion No 13**

As part of the cooperation network network , an obligatory partnership has been established with a foreign partner:

- coming from a country where the scale of the economic twilight zone does not exceed 10% of GDP, and which has a solution for combating the economic twilight zone in place in that country;
- coming from a country where the scale of the economic twilight zone is comparable to that in Poland, i.e. the scale of the economic twilight zone is between 20 and 30% of GDP.

<sup>4</sup> According to the definition for the research carried out by the Central Statistical Office.

### **Definition of the criterion:**

The applicant is required to indicate two foreign partners that meet the criterion in question and to quote the valid (not older than 2 years) source data confirming meeting of the criterion in terms of GDP, verifiable at the level of the formal and substantive assessment and in terms of having a solution to combat the “economic twilight zone”. It is necessary to briefly describe this solution and show where it has been implemented.

### **Criterion No 14**

**The target group are, as users:**

- public administration units or
- control institutions or
- labour market institutions or
- social partners within the meaning of the definition of the OP KED or
- social assistance and integration institutions or
- social economy entities or
- employers

**In addition, if this contributes to achieving the objective of the project, the target group may be persons/entities necessary for implementing transnational cooperation or putting the solutions into practice, in particular economic operators, self-employed persons, households, which will be significantly affected by the model of limiting the “economic twilight zone”.**

### **Definition of the criterion:**

The target group of support are, as users of the given solution, public administration units or control institutions or the labour market institutions or social partners or social assistance and integration institutions or social economy entities or employers.

In addition, if this contributes to achieving the objective of the project, the target group may be persons/entities necessary for implementing transnational cooperation or putting the solutions into practice.

### **Clarification of the scope of the solution:**

The social economy entity is understood as:

- a) social enterprise, including a social cooperative, referred to in the Act of 27 April 2006 on social cooperatives (Dz. U. No. 651, as amended);
- b) reintegration entity providing services of social and professional reintegration for persons at risk of social exclusion:
  - i) Social Integration Centres and Social Integration Clubs;
  - ii) Vocational Development Centres and occupational therapy workshops, referred to in the Act of 27 August 1997 on vocational and social rehabilitation and employment of persons with disabilities;
- c) non-governmental organisation or entity, referred to in Article 3(3)(1) of the Act of 24 April 2003 on public benefit and volunteer work (Dz. U. of 2016, item 239, as amended);

d) economic sphere entity created in connection with the implementation of a social objective or for which the social objective of common interest is a basis for commercial activity; This group can be divided into the following subgroups:

- i) non-governmental organisations, referred to in the Act of 24 April 2003 on public benefit and volunteer work, pursuing economic activity the profits of which support the implementation of statutory objectives;
- ii) cooperatives, the objective of which is employment, i.e. labour cooperatives, disabled or blind workers co-operatives, operating pursuant to the Act of 16 September 1982 – Cooperative Law (Dz. U. of 2016, item 21, as amended);
- iii) non-profit companies, referred to in the Act of 24 April 2003 on public benefit and volunteer work, as far as the share of the public sector in a company does not exceed 50%.

### **Criterion No 15**

**The project assumes developing and implementing a solution taking into account the following elements aimed at increasing the competence of workers of public administration units responsible for public security:**

- **identification and analysis of potentially dangerous non-verbal behaviour;**
- **identification and analysis of potentially dangerous verbal behaviour;**
- **skillful profiling of potential threats;**
- **acquisition of the ability to interpret sociological, psychological and cultural factors determining threats to public security.**

#### **Definition of the criterion:**

The project assumes developing and implementing a solution which will take into account all the elements indicated in the criterion, i.e.: identification and analysis of potentially dangerous non-verbal and verbal behaviour, profiling of potential threats and acquisition of the ability to interpret sociological, psychological and cultural factors determining threats to public security. The solution developed under the project should be ready for putting into practice.

**If the criterion is to be met, it is not enough just to mention in the application the above elements of the criterion. All elements must be a component of a new solution subject to testing and it should be clearly identified, what elements of the new solution correspond to the individual elements of the criterion.**

### **Criterion No 16**

**The target group are, as users, public administration units responsible for public security in connection with the provision of safety in international transport, including:**

- **public administration units and their field units or**
- **units involved in vocational training, including departmental training.**

In addition, if this contributes to achieving the objective of the project, the target group may be persons/entities necessary for implementing transnational cooperation or putting the solutions into practice.

**Definition of the criterion:**

The target group support are, as users of the given solution, public administration units and their field units or units involved in vocational training, including departmental training.

**The importance of the criterion:**

**The criterion applies only to projects submitted under subject No 2.**

The project not meeting this criterion will be rejected at the stage of the formal and substantive assessment.

**Criterion No 17**

The project assumes developing and implementing a solution to support family enterprise, containing at least 3 of the following elements:

- methods to conduct a family business;
- passing of enterprise competence from generation to generation;
- sustainability of a company and its competitiveness in the context of the specific operation of a family business;
- methods to measure economic profit;
- effective succession processes;
- risk analysis in family businesses.

**Definition of the criterion:**

The project assumes developing and implementing a solution containing at least 3 elements set out in the criterion. The solution developed under the project should be ready for putting into practice.

**If the criterion is to be met, it is not enough just to mention in the application at least 3 selected elements of the criterion. At least 3 selected elements must be a component of a new solution subject to testing and it should be clearly identified what elements of the new solution correspond to the individual elements of the criterion.**

**Criterion No 18**

The target group of support are, as users:

- family economic operators or
- employers' organisations.

In addition, if this contributes to achieving the objective of the project, the target group may be persons/entities necessary for implementing transnational cooperation or putting the solutions into practice.

### Definition of the criterion:

The target group of support are, as users of the given solution, family economic operators or employers' organisations. In addition, if this contributes to achieving the objective of the project, the target group may be persons/entities necessary for implementing transnational cooperation or putting the solutions into practice.

### Additional points criterion No 1

**“Financing of transnational cooperation only according to the principle of reciprocity, i.e. each partner shall incur its costs without covering any costs of the transnational partner(s) from the OP KED budget”.**

### Definition of the criterion:

The criterion will grant additional points to projects in which the transnational partner finances all its activities from its own resources, i.e. OP KED resources are not allocated for covering its costs. The assignment of any expenses relating to the foreign partner to the project leader, including the costs of transport, accommodation, food, etc. means that **the principle of reciprocity does not occur.**

In the event of the principle of reciprocity, in the detailed budget of the co-financing application, the tasks implemented completely by the transnational partner should indicate the cost of “0”. In contrast, when the transnational partner is responsible for the selected elements of the task, they should not be included into the detailed budget and indicate them in the justification under the budget.

### 2.6 Transnational partnership

1. With a view to the joint implementation of the transnational cooperation project, the project promoter is obliged to conclude a partnership agreement with at least one partner from the European Union country other than Poland. The partnership is concluded under the conditions laid down in the partnership agreement. The applicant of the project acts as a leader of the partnership.
2. **In selecting the partners, the requirements of the Act, referred to in Article 33, shall apply. In addition, implementing the partnership project, it is required to meet other requirements set out in the general formal criterion No 7, pursuant to Annex 14 to the Rules.**
3. **Prior to signing the co-financing agreement, the IOK again verifies** meeting of the criteria relating to the exclusion from a possibility of receiving co-financing, links among the entities forming the partnership and the conclusion of partnership agreements.
4. Information about participation of the partner should be included into the project co-financing application, in accordance with the requirements set out in the *Instruction*.

#### Letter of intent:

5. The letter of intent is to be attached to the application. Its **content must contain the minimum scope of the information, indicated in Annex 1 to the Rules of the competition.**
6. The letter of intent is drawn up in **Polish or English. In case of the letter of intent in English, it is necessary to attach its working translation into Polish.**
7. **It is allowed to attach a copy of the letter of intent to the application.**

8. The letter is signed by the project promoter, who also represents the national partners, and by the transnational partner(s). **The letter must be signed by the person(s) authorised to make binding decisions on behalf of the project promoter, indicated in field 2.7 of the co-financing application "Person(s) authorised to make binding decisions on behalf of the applicant"**.
9. In case of projects implemented in the transnational partnership with more than one foreign partner, in principle, the letter of intent signed with each partner is required. **It is allowed to sign one letter of intent with all transnational partners.**

Transnational cooperation agreement:

10. **The transnational cooperation agreement must be signed prior to concluding the co-financing agreement. Its content must contain the minimum scope of the information specified in Annex 2 to the Rules of the competition.**
11. The transnational cooperation agreement shall be drawn up in **Polish or English**. In case of signing the transnational cooperation agreement in English, it is necessary to provide the IOK with a certified true translation of the agreement into Polish. The translation by a sworn translator is not required.
12. All documents relating to the implemented agreement are presented to the IOK in Polish only or in English and Polish.
13. The agreement is signed by the project promoter, who also represents the national partners, and by the transnational partner(s). **The transnational cooperation agreement must be signed by the person(s) authorised to make binding decisions on behalf of the project promoter, indicated in field 2.7 of the co-financing application "Person(s) authorised to make binding decisions on behalf of the applicant"**.
14. **It is acceptable to submit a copy of the transnational cooperation agreement** certified true by a person authorised to represent the project promoter, i.e. indicated in field 2.7 of the co-financing application "Person(s) authorised to make binding decisions on behalf of the applicant".
15. The IOK accepts the provided transnational cooperation agreement once after its submission by the project promoter. Should it be required to amend the transnational cooperation agreement, the project promoter submits the amended version within the time-limit indicated by the IOK.
16. Participation of partners, consisting in particular in contributing human, organisational, technical or financial resources, must be adequate to the purposes of the project. Regardless of the distribution of the tasks and responsibilities within the framework of the partnership, the final responsibility for the proper implementation of the project shall be borne by the project promoter (partnership leader) as a party to the co-financing agreement.
17. The partner is involved in the implementation of the entire project, which means that it also participates in preparing the co-financing application and in project management, whereby the partner may participate in implementing of some tasks in the project only.
18. The project promoter may not engage the partners' workers as the project personnel and *vice versa*.
19. The project promoter is not allowed to order the partner to purchase goods or services and *vice versa*.
20. Resources for financing the costs of the tasks carried out by the transnational partner in the project are provided by the project promoter (leader) to the transnational partner only as refunds of the costs incurred by the partner.



21. All payments made in connection with the implementation of the project between the project promoter (leader) and partners are made through a bank account of the beneficiary (leader) specially set up for the project.
22. The partners are required to incur the expenses in accordance with the *Guidelines with regard the eligibility of expenses for the European Regional Development Fund, European Social Fund and Cohesion Fund for the years 2014-2020* and in accordance with the Rules of the competition.

Changes relating to the partners:

23. **Changes relating to the partners** (partner's/partners' resignation or termination of the partnership) in the application recommended for co-financing, i.e. **after completing the assessment, but before concluding the co-financing agreement**, are treated as changes in the project and must be notified to the IOK and obtain its written consent. The IOK requires each new partner to provide a similar, adequate to the original application, standard for carrying out the tasks provided for the existing project partner. The IOK's consent entails a need to revise the co-financing application and making an annex to the transnational cooperation agreement or signing a new agreement. An analysis in terms of changes relating to the partner(s) does not mean a need to submit the application for the substantive reassessment. The IOK does not require providing the letter of intent signed with the new partner(s). Should a new partnership not be established, the IOK does not sign the project co-financing agreement with the applicant.
24. **Changes relating to the partners** (partner's/partners' resignation or termination of the partnership), **during the implementation of the project, i.e., after concluding the co-financing agreement**, require introducing a new partner into the project immediately. The IOK requires from each new partner to have a similar or higher potential and experience in relation to the partner, who terminated the partnership and to provide a similar, adequate to the original application, standard for carrying out the tasks provided for the existing project partner. Also, the basic assumptions regarding the measures implemented within the project cannot be changed and the project must still meet all the general and specific project selection criteria applicable in the competition. An analysis in terms of changes relating to the partner(s) does not mean a need to submit the application for the substantive reassessment. The change relating to the partners is treated as a change in the project and must be notified to the IOK and obtain its written consent, taking into account the requirements laid down in the project co-financing agreement. The IOK's consent entails a need to revise the co-financing application and making an annex to the transnational cooperation agreement or signing a new agreement. Should a new partnership not be established, the IOK does not sign the project co-financing agreement with the applicant.
25. Possible is also the **change in the partnership consisting in introducing an additional partner, not envisaged in the project co-financing application, both after completing the assessment but prior to concluding the co-financing agreement and after concluding the agreement, during the implementation of the project**. Introducing the new partner into the project may not involve introducing a new type of the tasks to be carried out by the partner(s) but only an increase in the number of partners carrying out the tasks which have already been assumed to be carried out under the partnership. Introducing of the new partner could mean the increased involvement of the partners in the implementation of the project, but may not involve providing the partners with the tasks which are different in terms of their type from those provided to them originally. It is also possible to move tasks among the partners. The change in this area is treated as a change in the project and must be notified to the IOK and obtain its written consent, taking into account the requirements laid down in the project co-financing



agreement. The IOK's consent entails a need to revise the co-financing application and making an annex to the transnational cooperation agreement or signing a new agreement.

### 3.5 Financing of transnational cooperation

1. Expenses relating to establishing the transnational partnerships are eligible, as long as this is consistent with the approved co-financing application.
2. Costs incurred in connection with establishing the transnational partnership are eligible to the amount of PLN 6,000.

**PLEASE NOTE!** Establishing the transnational partnerships means actions taken with a partner, with which the following will be signed: the letter of intent and transnational cooperation agreement, for the benefit of the project implemented under the competition.

**PLEASE NOTE!** A prerequisite for the eligibility of the cost incurred in connection with establishing the transnational partnership is to sign the project co-financing agreement.

**PLEASE NOTE!** The applicant is required to precisely indicate in the co-financing application what expenses are a part of the item related to establishing transnational cooperation. The cost of establishing the partnership is not a lump sum.

3. The IB gives its consent for the expenses incurred by the transnational partner to be eligible within the framework of the given project, as long as this brings a benefit for the project and the expense is necessary to achieve the objective of the project.
4. To assess the eligibility of expenses of the transnational partner, the conditions and procedures laid down in Chapter 8 and the general conditions for the eligibility of expenses, as referred to in point 3 of subchapter 6.2, with the exception of letter k, of the *Guidelines with regard to the eligibility of expenses* shall apply.
5. Resources for financing the costs of the tasks carried out by the transnational partner in the project are provided by the beneficiary (leader) to the transnational partner as refunds of the costs incurred by the partner.

**PLEASE NOTE:** The costs associated with testing the new solution by the transnational partner and with implementing the solution by the transnational partner in its country are not eligible.

6. The currencies of financial settlements between the beneficiary (leader) and the transnational partner are PLN or EUR. The transnational cooperation agreement should specify the method of converting to PLN or EUR the expenses incurred by the partner in the currency other than EUR.
7. The settlements between the transnational partner and the beneficiary (leader) take place based on a statement of documents confirming the expenses incurred, drawn up by the given partner.

The statement of documents confirming the expenses incurred should be prepared in the same language, in which the transnational cooperation agreement has been drawn up.

Settlement with the partner does not consist in presenting a VAT invoice, because the partner does not provide the services ordered by the beneficiary (leader), but only co-participates in the implementation of the project.

8. The expenses which were refunded by the beneficiary (leader) to the transnational partner, are shown together in the co-financing application as one item in relation to the given transnational partner. In case where the refunded expenses relate to the different tasks within the project, they must be included in so many items in relation to the given transnational partner, in which they appear.
10. The transnational cooperation agreement may provide for an obligation for the transnational partner to attach the accounting documents to the statement it submits. In this case, the beneficiary does not translate the accounting documents attached to the statement for the purpose of settlements with the IOK, while the transnational partner is required to describe the documents in such a way so that this description confirms the relationship of the expense with the project and the fact of its financing under the project.
11. The IOK reserves the right to request from the beneficiary (leader) the statement of documents confirming the expenses incurred and accounting documents referred to in point 10.
12. If some or all the tasks to be carried out by the transnational partner are financed under the project, the partner is obliged to incur the expenses for carrying out these tasks in accordance with the *Guidelines with regard the eligibility of expenses for the European Regional Development Fund, European Social Fund and Cohesion Fund for the years 2014-2020*.
13. The above requirement also applies to the VAT eligibility. The transnational partner submits a statement of VAT eligibility in Polish, with the content compliant with Annex 3 to the co-financing agreement. The expenses presented by the partner to the beneficiary (leader) for the purpose of refunding may contain the amount of VAT only when the transnational partner has no right to reclaim VAT.

In addition, the transnational partner submits a statement that its expenses have not been/will not be refunded from other sources.

14. In case of making operations in foreign currencies, the beneficiary should, under pursued activity, use exchange rates consistent with the applicable national legislation on income tax, VAT and accounting rules.

However, for the purposes of settlements of expenses in the payment applications, the following rules are adopted:

- 1) in case of non-cash payments made in foreign currencies, for currency conversions it is necessary to apply the procedures for converting the value of cash payments made in foreign currencies into PLN, written down and applicable in the beneficiary, provided that they do not take into account the negative exchange rate differences (this applies in particular to the settlement of cash payments under foreign delegations); in the absence of these procedures, it is required to adopt the currency selling rate as of the day of payment, applied by the beneficiary's bank to implement

the transaction (documented by a confirmation issued by the bank or by a bank statement);

- 2) in case of cash payments made in foreign currencies, the transaction value should be converted into EUR at the exchange rate, at which the currency was purchased (documented by a proof of purchase of the currency). If the beneficiary attaches a printout from the accounting records to the payment application, the conversion rate shall be the rate as of the day of including cash payment into the accounts, in accordance with the accounting policy set out by the beneficiary;
- 3) in the case where the beneficiary is unable to document the actual rate, at which the payment transaction has been converted, e.g. when this transaction is made in a foreign currency outside Poland in a bank, which does not keep the tables of exchange rates converted into PLN, the conversion rate should be the currency selling rate announced by the Polish National Bank (NBP) on the day of the payment transaction.

If the beneficiary is unable to convert into PLN at the foreign currency selling rate as announced by the NBP as the NBP does not publish such tables, e.g. the Hungarian forint, the average exchange rate of the NBP applicable on the day of the payment transaction should be applied.