



**Ministry of
Communications and
Information Technology**

EGYPT

EGYPT ICT TRUST FUND

Information and Communication Technologies to Foster Egypt's
Sustainable Human Development Program

Call For proposals

NGO/SME Projects For Community Development Using ICT

Egypt ICT Trust Fund

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1-Background

Egypt Information and Communication Technology Trust Fund (ICT Trust Fund) is a leading organization in innovative utilization of Information and Communication Technology (ICT) to further development in Egypt. This is achieved by increasing awareness of the benefits of ICT, and by making it more accessible and affordable to all citizens. Egypt ICT Trust Fund also investigates different means by which citizens can absorb ICT into their livelihoods. Egypt ICT Trust Fund was established jointly by the Ministry of Communications and Information Technology (MCIT) and the United Nations Development Programme (UNDP) in January 2002. The Fund is a mechanism to create public-private partnerships in support to the use of ICTs to foster socio-economic development. Through a series of coordinated initiatives, the Fund empowers communities by providing access to appropriate information.

One of the main partners is the Italian Cooperation who promotes projects financed by the bilateral financing, the Debt - for - Development Swap as well as through the Italian NGOs, some of which have recently been recognized “successful candidate” at operating in the country. The commitment of Italian Cooperation in Egypt reflects the consolidated bonds between the two countries. This activity is articulated in different areas and promotes a multi-sector developing program reflecting a consistent strategy of economic, social and human development. This call for project proposals is a part from this Italian commitment.

The Fund's main purpose is to use ICTs to further development in Egypt by increasing awareness of its benefits, and by making it more accessible and affordable to all citizens. Through a series of coordinated initiatives such as the Mobile Information Technology Club (MITC), ICT for Special Needs, ICT for Illiteracy Eradication, Community Development Portal,etc. The Fund empowers communities by providing access to appropriate information. ICTs can open up a new world for adults and children alike, widen their horizons and increase their future opportunities.

The ICT Trust Fund supports, through the ICT to Foster Egypt's Sustainable Human Development Program, the spread of the technological culture within the

various communities, in order to promote citizens' capabilities and further the socioeconomic development in Egypt. The ICT to Foster Sustainable Human Development Program believes that this will create new job opportunities, and enable citizens of different ages and educations to benefit from the capabilities of the ICT in order to improve their lives and increase their incomes. The program introduced five leading projects: Community Development Portal (CDP), Illiteracy Eradication (IE) through ICT, Mobile Information Technology Clubs (MITC), Community Knowledge Generation and the E-Library, and the Smart Schools Network (SSN).

The Community Development Portal aims at establishing a common access point through which citizens can acquire relevant local information through sharing experiences in a multitude of local issues through KenanaOnline website (www.kenanaonline.com). The ICT for Illiteracy Eradication projects succeeded in helping a lot of citizens of different age brackets to pass the illiteracy eradication exam of the General Authority for Literacy and Adult Education (GALAE). This was done by encouraging them to use CDs, multimedia, and the internet to learn basic Arabic reading and writing skills. As for the Mobile Information Technology Club, it is bus designed to function as a fully-equipped computer and internet lab. The MITC visits rural and sub-urban underprivileged or under-serviced areas. The MITCs offer a variety of technological services and training sessions to improve the citizens' computer and internet skills. Fekrzad website, or the Community Knowledge Generation and the E-Library project, allowed many citizens to exchange local experiences through writing articles about their personal experiences in their specialized fields, and through participating in competitions that improved their research and computer skills. The Smart Schools Network project started as an initial step in the comprehensive plan for modernizing the Egyptian schooling system at large, in order to improve teaching and learning methods by using new interactive tools such as Learning Management System and School Management System. Moreover, the Smart Schools Network (SSN) worked on converting the schools to Community Learning Centers (CLC) that serves the community at large and helps them improve their skills and their standard of living.

ICT to Foster Egypt's Sustainable Human Development Program prides on its success in establishing various partnerships with the private and public sector, many NGOs and entities working in the field of education and development, in addition to

its success in involving the communities itself in the developmental process. The program hopes to develop itself in order to be able to help a larger number of citizens to increase their capabilities and enjoy a better life.

The above capacities make Egypt ICT Trust Fund uniquely positioned to become the prime vehicle for the diffusion of ICT literacy in the country across the most important sectors of society, from the development viewpoint and in thematic areas critical to the socio-economic development of Egypt.

From these targets, ICT Trust fund announces this call for proposals to NGOs/SMEs to share with them in the community development through ICT.

2. Objectives of the program and priority issues of this call

2-1 Objectives:

-The main objective is to support Egypt's socioeconomic development program through: establishing public-private partnerships, using information and communication technology to further development, raising awareness of the developmental potential of information and communication technology.

-Using ICT applications to improve the quality of life in the community especially in areas like education, skills, SMEs, health, agriculture, etc.

-Making ICT more accessible and affordable to all citizens.

2-2 Actions:

Actions will target all community members who can benefit from ICT implementation (e.g. Farmers, youth, women, illiterates, disable (handy cap) persons, etc.)

Actions will be undertaken by NGOs/SMEs, Italian NGOs and IT/EG NGOs either individually or in partnerships. While individual NGO applicants may be accepted, partnerships are encouraged in order to foster the participation of smaller NGOs that work directly with rural areas. The purpose is to reach these areas and simultaneously to raise the capacity of those NGOs and increase their empowerment in playing an effective role in their communities.

2.3 priorities:

The different priority areas that will be the subject of this call for proposals are:

1-ICT applications to serve community in different areas as education / illiteracy, skills, SMEs, health, disabilities and agriculture. Such activities could be posted on line through kenana online portal or as stand alone products.

2-Open source applications with innovative low cost ICT technology.

3-Innovation and creativity: actions are highly encouraged to include a high level of innovative and creative approaches and implementation of ICT activities that would replace/complement traditional and conventional approaches to make positive change in the life of the target groups.

4-Participation: support to actions that aim to enable/empower the environment of the target groups through:

- planning of the actions and activities that involve bottom-up planning and partnerships with target groups, local communities and civil society.

- Awareness raising activities addressing the target groups, the stakeholders and the public at large using the developed documentation/products and creating information to be disseminated to the benefit of the target groups.

- Promotion of advocacy through activities that will lead to positive outcomes and impacts on the target groups.

5- Online capacity building: actions should include integral components of capacity building aimed at raising the ICT capacity of communities and/or target groups.

3-Timetable (The following associated dates may be changed according to the contracting authority decision)

- Applications must reach the ICT Trust Fund no later than 20th June 2006.

- Activities must start not later than 30th July 2006.

- Activities must end before 30th May 2007.

- The maximum duration of the project is: 10 months

- No applications will be accepted for projects scheduled to run for a longer period than that specified in this call for proposals.

- The intention is to inform applicants of the outcome of the selection procedure no

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latter than 15 July 2006.

-It is planned that Beneficiaries will receive their agreements for signing by 25 July 2006.

4-Financial allocation provided by the contracting authority

The overall indicative amount made available under this call for proposals is 1000,000 L.E. The contracting authority reserves the right not to award all available funds and reserves the right not to distribute all the funds available.

Size of grants:

Any fund awarded under the fund facility must fall between the minimum and maximum amounts:

Minimum amount: 200,000 L.E.

Maximum amount: 300,000 L.E.

-Financial contribution from the commission: 75% coverage of the total eligible costs.

-Applicant will grant: 25% coverage (preferred 15% for hardware, infrastructure and in kind costs). The remaining 10% can cover other activities.

The ICT Trust Fund funding portion payment will be according to following criterion:

15%: in advance with detailed inception plan for the project

85% paid quarterly according to the project progress which will be illustrated in evaluation visits and periodical reports as following:

20% after 1st 3 months.

25% after 2nd 3 months.

20% after 3rd 3 months.

20% after project end, final report submission and final deliverables/

products testing.

5- Rules of this call for proposals

Eligibility criteria

The following guidelines set out the rules for the submission, selection and implementation of actions financed under the program.

There are three sets of eligibility criteria, relating to:

- Organizations which may request a fund
- Actions for which a fund may be awarded
- Types of cost which may be taken into account in setting the amount of the grant.

5.1 Eligibility of applicants (who may apply)

In order to be eligible for a grant, applicants must:

- NGOs/SMEs/CDA (Non Governmental Organizations/ Small and Medium Enterprises / Community Development Associations). Italian NGOs working in Egypt and Egyptian/Italian NGO consortium all eligible to apply.
- be legally established for more than 2 years. A copy of the applicant organization's articles of association and official certificate of legal registration should be submitted.
- be directly responsible for the preparation and management of the action not acting as an intermediary.
- have experience with participatory approach in their activities.
- Implement actions within their geographic area (governorate) and /or areas of the consortium partners.
- have previous experience and tangible achievements preferably in at least one of the sectors of the fund related areas.

The lead organization in a consortium or the organization applying independently/individually has to have:

- an organization vision focused on development rather than charity.
- a mandate to work with marginalized groups; i.e. women, youth, disables, etc.
- commitment to gender balance.
- at least 3 regular executive (management) staff members.
- required expertise/experience to implement and manage the proposed activities.
- experience in providing technical support and/or mentoring to other institutions/organizations.
- experience with networking and managing multi disciplinary actions with partner organization in case of a consortium.

Potential applicants **may not participate** in calls for proposals or be awarded funds if :

- a) They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for national legislation or regulation.
- b) They have been convicted of an offence concerning professional conduct by a judgment (i.e. against which no appeal is possible)
- c) They are guilty of grave professional misconduct proven by any means with the contracting authority can justify.
- d) They have not fulfilled obligations relating to the payment of taxes in accordance with the Egyptian legal provisions.
- e) They have been the subject of a judgment for fraud, corruption, involvement in a criminal organization or any other illegal activity.

f) They have been declared to be in serious breach of contract for failure to comply with their contractual obligations in connection with a procurement procedure or other fund award procedure financed by the community budget.

Applicants are also excluded from participation in calls for proposals or the award of funds if, at the time of the call for proposals, they:

g) are guilty of misrepresentation in supplying the information required by the contracting authority as a condition of participation in the call for proposals or fail to supply this information .

h) have attempted to obtain confidential information or influence the evaluation committee or the contracting authority during the evaluation process of current or previous calls for proposals .

5.2 Eligibility of partners

Applicants may act individually or act in a consortium with partner organizations.

Partnerships with other organizations are encouraged, preferably with NGOs/SMEs/CDAs.

For international (Italian) and/or regional organizations, establishing consortium with Egyptian NGOs is a must.

All partners involved must complete and sign a partnership declaration, which must be submitted as part of the application.

Applicants' partners participate in designing and implementing the actions, and the costs they incur are eligible in the same way as those incurred by the fund Beneficiary. They must therefore satisfy the same eligibility criteria as applicants.

Other subcontracting organizations may be involved in the action. Such associates play real role in the action but will not receive funding from the project fund..

The applicant will act as the lead organization and, if selected, as the contracting party (the " Beneficiary ").

5.3 Eligibility of types of actions

- Innovation: actions should be according to:
 - innovative ideas for community ICT development
 - have participation from community targeted groups
 - have unique value proposition and
 - quick realization (short term) up to one year project funding.
- Sustainability: proposed actions will reflect the sustainability of the action as undertaken by the Beneficiaries and / or the target groups.
- The actions will include a strong monitoring and evaluation plan and a self impact assessment activity that will ensure the efficient and effective implementation.
- Actions will include a component on data gathering and establishing base line data.
- Actions are encouraged to include more than one focus area.
- Income generation: all included components in income generation will include business development activities and a business plan.

Number of proposals and funds per applicant:

An applicant may submit more than one proposal. Each proposal must be submitted in a separate application and envelop.

An applicant may not be awarded more than one fund under this call for proposals.

5.4 Eligibility of costs: costs which may be taken into consideration for the grant

Only "eligible costs" can be taken into account for a grant. The budget is therefore both a cost estimate and a ceiling for "eligible costs". Note that the eligible costs must be based on real costs, not lump sums (except for travel and subsistence costs and indirect costs).

Recommendations to award a fund are always subject to the condition that the checking process with preceded the signing of the contract does not reveal problems

requiring changes to the budget. The checks may give rise to requests for clarification and may lead the contracting authority to impose reductions.

It is therefore in the applicant's interest to provide a realistic and cost-effective budget.

Eligible direct costs:

To be eligible under the call for proposals, costs must:

- Be necessary for carrying out the action be provided in the contract and comply with the principles of sound financial management, in particular value for money and cost-effectiveness.
- Have actually been incurred by the Beneficiaries or their partners during the implementing period for the action. This does not affect the eligibility of final audit costs.
- Be recorded in the Beneficiary's or the Beneficiary's partners' accounts, be identifiable and verifiable, and be backed by originals of supporting documents .

Subject to those conditions and where relevant to the contract-award procedures being respected, eligible direct costs include:

- The cost of staff assigned to the action, salaries and costs must not exceed those normally borne by the Beneficiary or his partners, as the case may be .
- Travel and subsistence costs for staff taking part in the action, provided they do not exceed those normally by the Beneficiary or his partners, as the case may be.
- The cost of purchasing equipment (new or used) and services provided they correspond to market rates.
- The cost of consumables and supplies.
- Subcontracting expenditure.
- Costs arising directly from the requirements of the contract (dissemination of information, evaluation specific to the action, audit, translation, printing, etc.) including financial service costs.

Ineligible costs:

The following costs are not eligible:

- Debts and provisions for losses or debts.
- Interest owed.
- Items already financed in another framework.
- Purchases of land or buildings.

Eligible indirect costs (overheads):

A lump sum not exceeding 7% of the direct eligible costs of the action may be claimed as indirect costs to cover the administrative overheads incurred by the Beneficiary for the action.

Indirect costs are eligible provided that they do not include costs assigned to another heading of the contract budget.

6-Evaluation and selection of application:

Applications will be examined and evaluated by the contracting authority with the possible assistance of external assessors. All action submitted by applicants will be assessed according to the following criteria:

1) Administrative compliance

- Verification that the application is complete in accordance to the requirements.

2) Eligibility of the applicants, partners and actions.

-Verification that the applicant, the partners (and the associates where applicable), and the action are eligible according to the criteria set out in sections 5.1, 5.2 and 5.3.

3) Evaluation of the quality of the proposals and financials evaluation.

An evaluation of the quality of proposals, including the proposed budget, will be carried out in accordance with the evaluation criteria set out in Evaluation Grid table that shown below.

The selection criteria are intended to help evaluate the applicants ' financial and operational capacity to ensure that they

- Have stable and sufficient sources of finance to maintain their activity throughout the period during which the action is being carried out and, where appropriate, to participate in its funding.
- Have the professional competencies and qualifications required to successfully complete the proposed action. This also applies to any partners of the applicant.

The award criteria allow the quality of the proposals submitted to be evaluated in relation to the objectives that maximize the ICT impact on the community and priorities set in sections 2-1 and 2-2 and fund to be awarded to actions which maximize the overall effectiveness of the call for proposals. They cover such aspects as the relevance of the action, its consistency with the objectives of the call for proposals, quality, expected impact, innovation, sustainability and cost-effectiveness.

Please note the following important information :

6.1 Scoring:

The evaluation criteria are divided into sections as in the table below. Each section must be given a score between 1 and 5 in accordance with the following guidelines : 1= very poor , 2= poor , 3= adequate , 4= good , 5= very good . The applications with the highest scores will be given priority when funds are awarded.

Evaluation Criteria Table

The following table is to help the applicant to emphasis on the important issues.

Item name	Degree for this item evaluation
1-Problems/issues addressed by the project	10%
2-ICT implementation strategy	10%

3-Target groups/ impact on the community ICT development	15%
4-Idea/innovation/uniqueness of this project	15%
5-Applicant experience/study for similar fields/projects in the market	10%
6-Project goals and objectives	10%
7-Project activities and deliverables	10%
8- sustainability/ scale-up	10%
9-Budget justification	10%

6.2: Selection criteria

The selection criteria shall be such as to make it possible to assess the applicant ability to complete the proposed action or work program.

Applicant must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out or the year for which the fund is awarded. They must have the professional competencies and qualifications required to complete the proposed action or the work program.

Applicants must submit a declaration on their honor, completed and signed attesting to their status as a legal person/entity and to their financial and operational capacity to complete the proposed activities.

- **Technical capacity:**

In order to permit an assessment of their technical capacity, organizations must submit together with their applications:

- 1- Description of the applicant body and its members and the nature of its activities in relation to meeting the requirements in sections 5.1 and 5.2.
- 2- A list of projects already undertaken in the relevant field by the applicant or by the partners.

- Financial capacity

In order to permit on their financial capacity, organizations must submit, together with their applications:

- The profit and loss accounts of the applicant organization together with the balance sheet for the last two financial years for which the accounts have been closed.
- The bank details form completed by the Beneficiary and certified by the bank.

Note that:

- The verification of financial capacity shall not apply to natural persons.
- If on the basis of documents submitted, the commission considers the financial capacity has not been proved or is not satisfactory it may:
 - reject the applications
 - ask for further information
 - require a guarantee.

6.3 Award criteria

Eligible applications will be assessed on the basis of the following criteria:

a) Qualitative Criteria:

- Relevance of the content and anticipated results of the actions in particular the results of ICT development /community impact, awareness raising and follow-up activities to the objectives of the call.
- Quality of the innovative idea and its applied methodology, tools and practical approaches proposed.
- Capacity of the proposed organizational structure to ensure effective follow-up activities i.e. disseminate and facilitate transfer and exploitation of the results to the targeted groups in the community.
- Work plan including a calendar of activities (for its clarity and its appropriateness with regard to the objectives and means proposed):
- Coherence of the budget with the work plan
- Monitoring and evaluation strategies.

b) Quantitative Criteria:

The following elements will be assessed:

- The geographical representation and number of governorates covered.
- The number of participating training providers / establishments to be reached.
- Number of targeted persons/groups in the community in the project pilot
- The diversity of actions proposed and the
- The platforms used to reach target groups and to disseminate information and results.

7 How to apply:

7.1 Proposal form and supporting documents

-Applications must be submitted according to the previous guidelines and in the format illustrated in following section 8.

-Applications could be submitted either in **Arabic version OR in English version.**

-Accepted applications must be translated to English.

-Hand writing applications will not be accepted.

Supporting documents:

Applications must be accompanied by the following supporting documents:

1-Applicant organization registration documents and legal mandates, and where appropriate of each partner organization.

2-Annual reports of the last two years audited financials.

3-Brochoures, newsletters and any other promotional materials.

4-Studies, research projects or any other publications.

5-Where proven record is required, certifies of funding agency or any document that gives evidence of applicant achievements in the related fields.

6-Applicants may provide additional technical input in Arabic with summery in English.

The supporting documents requested must be supplied in the form of originals or photocopies certified as true by an authorized independent body. Where such documents are in language other than English, a faithful translation must be attached.

7.2 Where to send the proposal:

Proposals must be received in two ways:

1-by e-mail to the address: ictcdp@ictfund.org.eg

2-by registered mail, courier or by hand delivery (a signed and dated certificate of receipt will be given to the deliverer) at the address below:

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1 Mahmoud khalil El-Hosary st off Ahmed Orabi., Sphinx square, Mohandessien,
Giza, Egypt.

Phone:+202-3444544

Fax:+202-3088166

Proposals and supporting documents must be submitted in one original and three copies. The application must also be supplied in the electronic format.

The envelope must bear the reference name of the call for proposals, the applicant full name and the address of the organization

Applicants should verify that their proposal is complete.

7.3 Deadline for receipt of proposals: (The following associated dates may be changed according to the contracting authority decision)

The deadline for the receipt of proposals is 20th June 2006 at 16:00 (Cairo local time)
Any application received after the deadline will automatically be rejected even if the postmark indicates a date preceding the deadline or if the delay is due to the private courier service.

7.4 Acknowledgement of receipt:

Following the proposal inspection session, the contracting authority will send an acknowledgment of receipt to all applicants, indicating whether or not their proposal was received prior to the deadline and informing them of the reference

number they have been allocated. This confirmation will be sent to the applicant's e-mail.

7.5 Further information:

Questions may be sent by e-mail or by fax no later than 7 days before the deadline of the receipt of proposals to the e-mail address:

e-mail: ictcdp@ictfund.org.eg

OR

Fax:+2023088166

They will receive a reply on an e-mail address no later than 4 days before the deadline for the receipt of proposals.

Questions that may be relevant to other applicants, together with the answers may be published on the internet at "www.ictfund.org.eg".

8- Proposal Format

8.1 Part one: Project data

According to the previous guidelines, please write the proposal in the following format:

1-First page: will include project title, applicant name, abstract and keywords

1-1 project abstract

From 150-250 words

1-2 Keywords

5:7 keywords indicating the idea, fields of interest, etc.

3-Background

From 1-2 pages illustrating the previous experience and the market study for similar projects in the same field of interest.

4-Project objectives/actions

2-3 pages emphasizing on the problems identification, targeted groups and the impact on the ICT development in the community.

5-Project time table (1 page)

6-Project action plan for activities and deliverables (2-3 pages).

7-Project estimated budget in details (1-2 pages).

The applicant should include explanation on financial proposition and activity of the proposed project. It is necessary to state the assumptions and computations to notes to the account as detailed as possible on which the costs/expenses are incurred on the following:

- a) **Activity:** the subject refers to the activities to be carried out for the proposed project. Each of the activity should be translated into a plan with quantifiable and measurable milestones. Each activity should be itemized and explained clearly in terms of its contribution and how it meets the eligibility criteria.
- b) **Infra-structure costs:** The costs that relate to infra-structure acquisition such as hardware, software, installation and other related costs, which are directly associated with and attributable to the proposed project. The particulars of items shall be furnished in detail, in terms of their specifications and costs.

In addition, you are required to provide a network architecture indicating the number of computers and other related equipments to be located and used for the proposed project. (This should not be more than 25% of the budget – (applicant share in the project)).

- c) **Gross Salaries and other Related costs:** relate to employees or contract staffs (including staffs employed by the collaborating partners) actually performing the project activity on either a full-time or part-time basis.
- d) **Traveling and Accommodation costs:** refer to costs for local travel and accommodation related to research works, consultation with other experts that are directly attributable to the project activity.
- e) **Training costs:** that incurred particularly related to the awareness program for target community, which is directly supporting the activity of the proposed project. (e.g. leaflets, flyers and brochures etc.) that related to the event i.e. training/ seminar/ workshop session.
- f) **Utilities costs:** include those essentials to the project e.g. telephone and facsimile bills, electricity and water bills, lease line and dial-up charges, which are directly attributable to the project activity.

If the project is operating on sharing basis with the existing/other office (which is not related to the project activity), the costs should be properly apportioned according to the percentage of floor area used.

- g) **Professional fees:** the costs related to consultation with other experts associated with the development of the proposed project.
- h) **Other Administration costs:** those costs attributable directly to the project activity relating to items and materials such as office stationary, repair, maintenance and services of equipment, photocopy charges, office rental, server co-location, web hosting etc. (this should not exceed 7% of the budget).
- i) **Funding Allocation:** refers to the total proposed project costs, which will be funded by the applicant (internal) and by ICT Trust Fund respectively. The proportion of the ICT Trust Fund funding is extended up to 75% of the said project costs.

8.2: Part two: Applicant/ partners/consortium data

1- **Applicant /consortium leader profile** should be included at least the following

- a) Full Organization's Name.
- b) Contact address.
- c) Telephone No.
- d) Fax No.
- e) Contact Persons' Names.
- f) E-mails.
- g) Nature & Profile or Organization (e.g. NGO, Private).
- h) Nature of Business / Operation (e.g. IT, Consultancy)

2-Partners profile

Partners may be classified according to their role in the actions as: community partners, expert partners, technology partners, etc. For each partner the following data should be supported at least:

- a) Full Organization's Name.
- b) Contact address.
- c) Telephone No.
- d) Fax No.

- e) Contact Persons' Names.
- f) E-mails.
- g) Nature & Profile or Organization (e.g. NGO, Private).
- h) Nature of Business / Operation (e.g. IT, Consultancy)

3-Supporting documents

Supporting documents discussed in section 7.1 should be accompanied for both the applicant and all his partners.

9-Notification of the contracting authority decision

Applicants will be informed in writing of the contracting authority's decision concerning their application. A decision to reject an application or not to award a project will be based on the following grounds:

- The application was received after the closing date.
- The application was incomplete or otherwise non-compliant with the stated administrative conditions.
- The applicant or one or more of its partners was not eligible.
- The action was ineligible (e.g. the action proposed is not covered by the program, the proposal exceeds the maximum duration allowed , the requested contribution is higher than the maximum allowed . etc)
- The proposal was not relevant enough or the applicant's financial and operational capacity was not sufficient, or the proposals selected were considered superior in these respects.
- The proposal was considered technically and financially inferior to the proposals selected.

The contracting authority's decision to reject an application or not to award a project is final.

The date on which the contracting authority plans to announce the decision following the completion of the award procedure is 15 July 2006. This date is indicative only.

10- Conditions applicable to implementation of the action following the contracting authority's decision to award a project

Following the decision to award a project, the Beneficiary will be offered a contract based on the contracting authority's standard

The date planned for the start of actions, following the signing of the contract is 30 July 2006 – this date is indicative only. The actions should all be finished before 30 May 2007.

The contract will, in particular, establish the following rights and obligations.

Final amount of the grant

The maximum amount of the grant will be stipulated in the contract. This amount is based on the budget , which is itself only an estimate . As a result, it will be final only once the action has ended and the final products/deliverables have been presented.

Failure to meet the objectives

If the Beneficiary fails to implement the action as undertaken and agreed in the contract, the contracting authority reserves the right to suspend payments, and / or to terminate the contract. The contracting authority's contribution may be reduced. and / or the contracting authority may demand full or partial re-payment of the sums already paid , if the Beneficiary does not fulfill the terms of the contract.

Variations within the budget :

Budget items may vary from the original figures provided that the following conditions are met:

1. They do not affect the basic purpose of the action.

2. The financial impact is limited to transfer within a single budget heading or to a transfer between budget headings involving a variation of less than 15 % of the original amount of each relevant budget heading.

In such instances, the Beneficiary may make alterations to the budget, and inform the contracting authority.

This method may not be used to amend the heading for overhead costs

In all other cases, a written request must be made in advance to the contracting authority and an agreement is required.

Reports

Reports must be drafted in the language provided for in the contract. technical and financial reports are to be supplied together with payment requests (other than the first installment of pre-financing) A work plan and budget for the next period of implementation must accompany reports submitted for further payments of pre-financing .

Payments

The quarterly payments and the final balance will be paid upon submission by the Beneficiary and approval by the contracting authority on the report and/or planned deliverables.

Payments will be made to an Action–specific bank account or sub-account which identifies the funds paid by the Contracting Authority.

Accounts of the action

The Beneficiary must keep accurate and regular records and dedicated transparent accounts of the implementation of the action.