**ANNEX 1: Project selection criteria for CIF**

There are three sets of eligibility criteria, relating to:

1. The applicant municipalities and partners
2. The projects for which a grant should be awarded
3. The costs that should be allocated for the awarded project

**Eligibility of applicant(s)**

Two types of applicants will be deemed eligible to apply for grants:

* The municipality which must submit the application. The applicant municipality (hereinafter the “**applicant**”) could be any of 38 Kosovo municipalities and is directly responsible for preparing the project concept, final design, project implementation and financial/ narrative reports.
* In the spirit of intermunicipal cooperation (IMC), CIF will promote and encourage projects of two or more municipalities, therefore the partner municipality/es are called **co-applicant(s)**. **Co-applicant(s)** could also be non-government organization/s (NGOs) registered Kosovo. In this configuration, the joint partnership or interest to implement the concerned project must be documented following the related legislation in force.
* Each applicant municipality can submit up to three (3) applications annually whilst it can be awarded co-financing for maximum one (1) project as a sole applicant and (1) intermunicipal/ governmental-nongovernmental joint project.

**Eligibility of projects**

**Threshold criteria**

The following criteria are mandatory for the projects to qualify:

* Is linked to any of the following approved plans/ policies: Municipal Development Plan, Municipal Strategy of Socio-Economic Development, Municipal Zoning Map, and all other sectorial and operational plans; alternatively, build on priorities triggered from the ongoing strategic plans/ policies in cases where there are no approved ones. The application will score higher based on the evidence provided (spatial included) regarding strategic impact of the project;
* Is an exemplary idea that has social, economic and environmental impact in line with the targets of selected Sustainable Development Goals and is supported by other concluded, ongoing or planned projects, i.e. it is catalytic into having sustainable and broader impact;
* Has undergone inclusive and participatory process during the identification/ selection and design stage using methodologies shared by CIF (using UN-Habitat/ MLGA participation approaches, publications:
* <http://unhabitat-kosovo.org/old/repository/docs/1._A_Guide_to_managing_Capital_Investment_Projects_845200.pdf>
* <http://unhabitat-kosovo.org/old/repository/docs/Turning_Spaces_ENG_web1_164105.pdf>

Project selection process has undergone sharing CIF information with all stakeholders and transparent reviewing of all proposals especially received by marginalized and organized groups, initiatives and communities;

* Contributes to addressing climate change through mitigation (reduction of Green House Gas emissions, for example through energy efficiency measures, waste reduction, reduction in vehicle emissions, etc.) and/or adaptation (ex. green infrastructure to address climate hazards such as flooding, drought impact reduction, urban heat island effect, etc.);
* Falls within the ability and simplicity level that CIF can manage. Example – the land must be owned by the municipality or another public entity and its availability is formally confirmed by the owner – if not the municipality (any land for a CIP must be clear of any dispute – be of ownership or with the right to occupation/use whilst all possible rights, i.e. material assets and intellectual property rights that arise during the course of the project will accrue to the relevant municipality); implementation activities to be concluded within the year 2022.
* The project or some of its components are visible to the public;
* Contains a proposal management plan;
* Applicant (and potentially the co-applicant/s) have expressed commitment in writing to provide co-financing following the criteria related to the project cost.

**Additional criteria**

The applications that qualify on the threshold criteria are then ranked against the additional criteria below

* Partnerships between two or more municipalities and/ or with an NGO have been achieved to have joint projects/ applications. Written willingness of parties (letter from the Mayors and draft agreement) will suffice for the initial application stage, and if positively appraised, formal agreement is required before signing the Agreement of Cooperation for co-financing project with CIF;
* Promotes social cohesion and provides equal opportunities for use by all groups especially the marginalized ones;
* Advancement of women’s equality and empowerment, application of gender analysis and/or use of gender-disaggregated data
* Anticipates direct benefit of local community during the project implementation through youth focused skill building. Details on the methodology to be applied must be submitted with the application;
* The applicant (and potentially the co-applicant/s) are ranked high against the overall performance indicators developed by the Ministry of Local Government Administration (MLGA) during the previous year.

The applications that are positively appraised and are awarded co-financing from CIF must also agree to the following final criteria:

* To have the implementation monitoring team comprised of, among others, a representative of UN-Habitat, MLGA, and a representative appointed by the local CSOs in the meeting/s organized by the municipality; and
* To conduct a satisfaction survey 6-12 months after the project is finalized. Necessary survey methodology/ templates will be provided by CIF.

**Eligibility of costs**

There is certain agreed amount that would be made available by all partners contribution through the CIF 2.0 for the fiscal year 2022. The CIF reserves the right not to award all available funds in case not enough applications have met the threshold criteria.

Project proposals will be solicited with an indicative allocation of funds as per below:

* Minimum amount for the project is EUR 50,000 whilst maximum one is EUR 175,000. In case two or more municipalities apply with the joint project, the maximum amount for a project is EUR 400,000. In all configurations, the project amount will include the contribution of both CIF and applicant/s;
* Applicants (including the co-applicants) have to commit to a minimum co-financing contribution per project following the category list below:
* **Category I** – at least 50% of co-financing contribution will be required from the municipalities of Prishtina, Prizren, Ferizaj, Peja, Mitrovica South, Gjilan and Gjakova. This category is not eligible to any reduction of co-financing contribution;
* **Category II** – at least 35% of co-financing contribution will be required from the municipalities of Vushtrri, Skenderaj, Mitrovica North, Leposavic, Podujeva, Fushë Kosova, Obiliq, Istog, Klina, Rahovec, Deçan, Malisheva, Suhareka, Gllogovc, Shtime, Kaçanik, Shtrpce, Gracanica, Lipjan, Viti and Kamenica. Reduction of co-financing contribution to 25% may be applied in cases of joint applications of two or more municipalities[[1]](#footnote-1).
* **Category III** – at least 25% of co-financing contribution will be required from the municipalities of Zvecan, Zubin Potok; Junik, Mamusa, Hani i Elezit, Novo Brdo, Klokot, Ranillug, Dragash and Partes. Reduction of co-financing contribution to 20% may be applied in cases of joint applications of two or more municipalities. In case of meeting the aforementioned minimum co-financing criteria, the maximum project amount will not exceed EUR 75,000 for a sole application respectively EUR 150.000 for a joint application.
* Applicant municipalities can willingly switch up a category and be eligible to greater project amount if they meet the minimum co-financing criteria of the desired category;
* In cases of intermunicipal joint projects, a clear configuration on cost-sharing should be agreed between applicant and co-applicant/s. If co-applicants in a joint project belong to a different category, their co-financing contribution will reflect the category scheme above;
* Review Panel will keep the right to decide on awarding the projects based on the applications received and funds available.

Only eligible costs can be covered by a grant. The categories of costs that are ineligible are indicated below:

* debts and debt service charges (interest)
* provisions for losses, debts or potential future liabilities
* purchases of land or buildings
* currency exchange losses
* credits to third parties
* in-kind contributions
* salary costs of the personnel of national or local government institutions, including the consultancy fees hired in relation to the project
* Excise duties and other special consumption taxes or any other similar tax, duties or charges having equivalent effect
1. Intermunicipal cooperation is strongly promoted and encouraged and such projects are ranked higher and could be larger by the criteria agreed [↑](#footnote-ref-1)