

2022

SCHEME GUIDELINES

Call for Project Proposals for Local
Councils as part of the **Sustainable
Localities Scheme**



GOVERNMENT OF MALTA
MINISTRY FOR THE ENVIRONMENT,
ENERGY AND ENTERPRISE

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1 Introduction

- 1.1** Through the *Sustainable Localities Scheme*, the Ministry for the Environment, Energy and Enterprise (MEEE) on behalf of the Government of Malta, will be awarding grants to local councils to engage in infrastructural projects aimed at safeguarding the environment, social well-being and economic growth, with the aim of recognising and supporting local community's efforts and to incentivise further sustainable initiatives.

2 Objective

- 2.1** This call for project proposals is aimed to support local councils to undertake infrastructural projects which contribute to Malta's Sustainable Development Vision¹ and are linked to one or more Sustainable Development Goals (SDGs) that were adopted by all United Nations (UN) Member States in 2015, as part of the 2030 Agenda for Sustainable Development, listed hereunder:

SD Pillars	UN SDGs	
Social Cohesion	Goal 1	No Poverty
	Goal 2	Zero Hunger
	Goal 3	Good Health and Well-being
	Goal 4	Quality Education
	Goal 5	Gender Equality
	Goal 16	Peace, Justice and Strong Institutions
Environmental Protection	Goal 6	Clean Water and Sanitation
	Goal 7	Affordable and Clean Energy
	Goal 12	Responsible Consumption and Production
	Goal 13	Climate Action
	Goal 14	Life Below Water
	Goal 15	Life on Land
Economic Growth	Goal 8	Decent Work and Economic Growth
	Goal 9	Industry, Innovation and Infrastructure
	Goal 10	Reduced Inequalities
	Goal 11	Sustainable Cities and Communities
	Goal 17	Partnerships for the Goals

¹ <https://sustainabledevelopment.gov.mt/vision-2050/>

3 Target Actions

- 3.1** Local councils are encouraged to propose infrastructural projects that strategically provide a solution to improve the urban environment, foster greater social cohesion and enhance economic growth in their localities. Such projects may include accessibility improvement projects, creation of open spaces, green mobility projects, retrofitting of public buildings, energy efficiency and water management projects, innovative waste management practices, air pollution reduction projects, coastal management initiatives as well as conservation and restoration projects.
- 3.2** The MEEE notes that the infrastructural projects which merit support through this call for project proposals shall focus on the three main pillars of sustainable development, which are social cohesion, environmental protection and economic growth, referred to in provision 2.1 above.

4 Management and Administration of the Scheme

- 4.1** The Scheme will be managed by the Sustainable Directorate within the MEEE.
- 4.2** Eligibility and award of the proposals shall be assessed by a selection committee which shall be composed as follows:
- i. a representative of the Office of the Permanent Secretary, MEEE as Chair;
 - ii. a representative of the Sustainable Development Directorate within MEEE as member; and
 - iii. a representative from the Local Government Division, within the Ministry for the National Heritage, the Arts and Local Government as member.

5 Eligibility

5.1 Pre-requisites

- i. Project proposals will be admissible if the applicant can commit itself to provide co-financing for the project. The grant that the Local Council will receive will be equivalent to 85% of the actual cost of the project up to a maximum of €300,000 (inclusive of VAT) unless otherwise deemed advisable by the Committee and approved by the MEEE. The co-financing rate of 15% or the difference between the actual project cost and the maximum grant shall be borne by the Local Council.
- ii. Preference will be given to those projects that are able to start and/or be completed in 2022 or have already obtained the necessary permits.
- iii. Project proposals which explicitly or implicitly involve or entail any endorsement, sanctioning or facilitation of any malpractice or any breach or circumvention of relevant permits or existing relevant sustainable development obligations shall be ineligible for this grant.

5.2 Grant Limitations

- i. The grant shall not exceed 85% of the actual cost of the project up to a maximum of €300,000 (inclusive of VAT), unless otherwise deemed advisable by the Committee and approved by the MEEE.
- ii. The grant shall only cover costs that are reasonably necessary for the implementation and promotion of the chosen project and, unless otherwise authorised, included in the proposed budget for the project. Eligible costs must be identifiable as specific costs directly linked to the performance, implementation and promotion of the project.
- iii. Double financing of any intervention, work, activity or purchase is not allowed. Provided that, in the interest of encouraging complementarities with other sustainable development programmes, projects that have already been granted Government or European Union (EU) funds may be eligible for the grant as long as such funding is not directed to any project component in respect of which any such grant has been issued.
- iv. The grant may be given to finance projects that:
 - also involve commercial elements which, in the MEEE's opinion, are of a reasonable and limited nature;
 - are strictly ancillary to the overriding sustainable development deliverables of the project; and
 - do not constitute the primary consideration behind the project.
- v. The grant may not be awarded retrospectively for already-completed projects. Provided that, the grant may however, be awarded for a component of a larger project which has already started, depending on whether the nature, quality and extent of the already initiated larger project are considered by the MEEE to be in line with the target actions of this call for proposals. Provided further that, the MEEE shall not be bound to retroactively endorse or sanction any *fait accompli* projects.

5.3 Non-eligible costs

The following projects/interventions and their costs shall not be considered as eligible for the grant:

- i. Projects designed for personal or commercial profit.
- ii. Return on capital, debt, debt service charges, as well as any interest owed or paid.
- iii. Provision for losses or potential future liabilities, provisions for doubtful debts, exchange rate losses, as well as insurance premium against risk of such losses.
- iv. Indirect costs exceeding the percentage or value agreed in the Grant

Agreement, as well as costs in any budget heading that exceed the respective budgeted amount, and any expenditure of whatever nature that is excessive, reckless or unjustified.

- v. Costs incurred in relation to activities not foreseen in the project or in modifications of the action, which are not approved by the MEEE.
- vi. Recreational activities, travel, gifts and presents.
- vii. Costs incurred on education campaigns or communication material (including notice boards and websites) which are wholly or partly partisan in nature, or which fail to acknowledge the grant obtained through this call for project proposals.
- viii. Expenditure that is illegal per se, or which is in any way connected with activities, practices, processes or interventions that are in breach of law or which infringe the terms, conditions or approved specifications of any permit or licence.
- ix. Anything which would constitute a misuse of public funds, entail a net negative impact on the sustainable development goals, or be in conflict with or irrelevant to the sustainable development objectives and purpose of the call for project proposals.

5.4 Other Terms and Conditions

- i. Applicants are to ensure that they have stable and sufficient resources and finances to sustain the portion of the project that is not supported by the grant, such that the integrity and viability of the project can be guaranteed. Applicants must also have the necessary operational capacity, expertise, competence and motivation to undertake and complete the project within the proposed timeframe whilst meeting the appropriate technical, sustainable development and administrative standards.
- ii. Projects, interventions and activities must be covered by all necessary regulatory and other permits and must be carried out in full conformity with all applicable laws and permits. MEEE shall have the right to withhold or cancel any letter of acceptance or grant agreement, or to impose additional terms and safeguards, if the applicant fails to obtain any required authorisation within a reasonable timeframe as decided by MEEE. Potential eligibility for funding under this scheme shall not per se constitute sufficient justification for: the granting of any permit which would otherwise not be issued; circumventing or influencing any assessment; or non-application or relaxation of any appropriate conditions or quality standards.
- iii. Wherever relevant the beneficiary must provide sufficient evidence of ownership, title, right of use or consent to intervene, and must subsequently keep any structural/physical improvements in good order for a minimum period of five (5) years from completion.

- iv. Non-disclosure of any required information (including any details required for processing of the application or for subsequent administration, verification or monitoring), or submission of misleading information, shall invalidate the application and may also constitute grounds for judicial or other proceedings against the applicant.

6 Project Proposals Evaluation Process

6.1 Applications received by the closing date shall be evaluated using a two-stage procedure:

- i. Eligibility screening and administrative compliance assessment
- ii. Technical evaluation in terms of definite criteria.

6.2 Eligibility screening and administrative compliance assessment

At this stage, proposals will be checked for completeness (e.g. whether all relevant sections of the application forms were filled in correctly, whether all requested accompanying documentation was enclosed, whether the forms are duly endorsed by an authorised representative of the applicant, etc), as well as for compliance with the eligibility screening checks in accordance with the provisions under Section 5 - Eligibility.

In the case of administrative non-compliant proposals (e.g. submission of missing documentation or incomplete applications) the Selection Committee may request the applicant to rectify the administrative non-compliance within 5 working days. Failure to comply with such instruction shall render the application for project proposals ineligible for further evaluation and the applicant shall be informed in writing accordingly.

6.3 Technical evaluation in terms of definite criteria

After eligibility screening checks and administrative compliance assessment are completed, the proposal undergoes technical evaluation stage, according to the following criteria:

Relevance of the proposed project to the priorities of the Scheme

- i. Extent to which the project meets the objectives, parameters, requirements and criteria, and addresses the three main pillars of sustainable development which are the social cohesion, environmental protection and economic growth.
- ii. Demonstrated need, appropriate feasibility studies, effectiveness, reliability and sustainability of the proposal in meeting and addressing sustainable development needs of the locality and providing tangible societal, environmental and economic benefits, as well as possibly being complementary with other sustainable development projects and deliverables.
- iii. The wider implications of the project, particularly any other benefits, adverse impacts or consequences on the sustainable development.

- iv. Strategic value in achieving the longer-term purposes of the Scheme, and the extent to which the project can act as a catalyst for further sustainable development improvement or for the uptake of good sustainable development practices.

This criterion carries 100% out of the total of 300% weighting score that can be granted.

Quality and Originality

- i. Presentation, structure and comprehensiveness of the project plans;
- ii. Clarity of focus on achieving the declared outcomes in the most effective manner;
- iii. Soundness of budget and value for money, securing net long-term benefit;
- iv. The suitability, effectiveness and reliability of proposed methodologies, including any associated safeguards;
- v. Innovative and authentic sustainable solutions that contribute towards social cohesion, environmental protection and economic growth in the locality.

This criterion carries 100% out of the total of 300% weighting score that can be granted.

Capacity of Applicant

- i. Sufficiency of resources of the applicant to carry out the proposed project; and
- ii. Demonstrated ability, competence and experience and capacity of the applicant to successfully and lawfully implement the project in a timely and effective manner.

This criterion carries 100% out of the total of 300% weighting score that can be granted.

6.4 A technical evaluation pass mark of 65% for **each** criterion is set. Proposals scoring less than the pass mark for each criterion shall not be considered further.

6.5 Those proposals scoring 65% or more for each individual criterion shall have their total score computed and awarded the grant strictly according to the ranking order and funds available under this call as per Budget Measure 200 of 2022².

6.6 Wherever more than one (1) eligible proposal is received from a single applicant, and such proposals obtain the pass mark stipulated above and are thus shortlisted for fund support, the Selection Committee shall, in its final ranking decision, have regard to the overall number of applicants participating in a given call for applications, the number of eligible proposals per applicant, and the availability of funds under the call, so as to ensure a balanced allocation of fund support across beneficiaries participating in a given call.

6.7 The Selection Committee shall also have the prerogative to request further information, amendments or clarifications as it deems appropriate at any stage. The Selection Committee retains the right to accept or reject any or all applications. The number of projects accepted for funding will be determined according to funds available and strictly according to the ranking order.

² <https://finance.gov.mt/en/The-Budget/Pages/The-Budget-2022.aspx>

7 Post-Selection Procedures

- 7.1** Successful applicants shall enter into a Grant Agreement with MEEE. The Grant Agreement shall be subject to the conditions set out in these guidelines as well as those contained in the call for applications, and shall also include any specific conditions and arrangements as necessary to ensure proper governance and enforcement of the Scheme conditions as well as effective implementation, achievement and durability of sustainable development benefits.
- 7.2** In cases where project implementation requires sub-contracting or procurement contracts, beneficiaries shall abide by the Public Procurement Regulations.
- 7.3** Any purchasing and expenditure requirements are to be submitted in line with the Public Procurement Regulations. The MEEE shall have the right to review any documentation pertaining to the beneficiary with regards to sub-contracting and/or procurement contracts, and to take any action in the event that the relevant procedures and safeguards are not observed.
- 7.4** In accepting the grant, a beneficiary is expected to:
- i. Ensure that the project commences promptly and progresses steadily.
 - ii. Submit performance reports to the satisfaction of the MEEE.
 - iii. Provide due acknowledgement to the MEEE in all publications and reports, all informative, signage, and all public communications relating to the approved project.
 - iv. Ensure that all funds are used in line with the Scheme conditions.
- 7.5** Payment to beneficiary shall be affected as per below:
- i. 1st payment shall consist of fifty per cent (50%) of the eligible funding and shall be disbursed upfront upon signing of the Grant Agreement.
 - ii. 2nd payment shall consist of twenty-five per cent (25%) of the amount of the eligible funding and shall be disbursed after completion and certification of fifty per cent (50%) of the works have been carried out; and
 - iii. 3rd payment shall consist of twenty-five per cent (25%) of the eligible funding and shall be disbursed on completion and certification of works.
- 7.6** Any unspent funds of the approved grant shall be returned back within one (1) month of project completion, failing which these will be considered as a public debt (due to the grant) on which commercial interest will be charged.

8 Auditing, Monitoring, and Enforcement

- 8.1** Scheme beneficiaries may be subjected to auditing, monitoring and/or inspection by the MEEE or its delegate/s.
- 8.2** Beneficiaries will be required to provide proof that the grant has been used correctly and in accordance with the provisions of the Grant Agreement. Beneficiaries must also retain all documentation pertaining to the funded project, as well as original fiscal invoices and receipts, including documents constituting proof of actual delivery of works/goods/services financed through this Scheme, and submit them to the MEEE or its delegate/s when and as requested. All records must be kept for at least five (5) years following award of the grant.
- 8.3** If the beneficiary does not meet all requirements set out in the Grant Agreement, or is found to have defaulted on the conditions of the Scheme, the MEEE may decide to recover the entire grant, or any proportionate amount, at its sole discretion. The beneficiary shall repay any such amount within fifteen (15) days from being notified by the MEEE. Monies due shall be deemed to constitute public debt and the applicable measures may be taken or enforced to recover such debt.
- 8.4** The MEEE reserves the right to rescind any Grant Agreement at any time if any of the conditions set out therein are not properly observed. Furthermore, if at any point it results that an application, or any terms of the Grant Agreement (or the inclusion or omission of any such terms), were vitiated or influenced by incorrect, misleading or fraudulent information or assurance, or by a breach of rules or regulations, the MEEE shall have the right to revoke the Agreement or parts thereof, or to amend its terms, as it deems appropriate, as well as to recover any funds or seek any other appropriate redress. The MEEE shall not be liable for any ensuing damage or inconvenience suffered by the beneficiary. The MEEE shall also have the right to take further action in the event of fraud or other malicious circumstance.

9 Procurement Regulations

- 9.1** In all cases the beneficiaries are obliged to allocate a specific bank account solely for the use of the grant award.
- 9.2** In all cases beneficiaries shall abide fully with Public Procurement Regulations.
- 9.3** Any purchasing and expenditure requirements are to be submitted in line with the Public Procurement Regulations. The MEEE shall have the right to review any documentation pertaining to the beneficiary with regards to sub-contracting and/or procurement contracts, and to take any action as it considers appropriate in the event that the relevant procedures and safeguards are not observed.

10 Applications

10.1 Applications must be submitted by Friday, 23 September 2022 at noon. The application must be submitted via email on **sustainabledevelopment@gov.mt**. Applicants shall ensure that they provide all necessary information by filling all the sections of the application form and by submitting all the related supporting documentation as identified in the same application form.

Provided that Article 6.2 above shall apply to incomplete applications/non-compliant applications.

11 Publicity

11.1 The MEEE retain the right to use any material and organise events connected with the projects benefiting from this initiative, and to publish information it may deem necessary.

11.2 It shall also be the responsibility of the Local Council to acknowledge the MEEE as the funding source of the project. Logo of the MEEE must appear in all published marketing material in all media platforms including social media. Any plaques or information boards installed in connection with the project, must include MEEE logo and other publicity material as required.

11.3 The Local Council shall promote the concept of Sustainable Localities Scheme by the MEEE during all television interviews and social media campaigns related with the project being awarded.

11.4 The Local Council shall promote the project upon its completion through public or media events with the participation of MEEE.

11.5 The Local Council shall also use its existing communication channels, such as newsletters or social media platforms, to inform residents, workers and businesses in its locality about the project and its contribution to the attainment of the applicable SDGs. Such communications must also abide by 11.2 and 11.3 above.

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