East Iceland Structural Fund

Allocation rules
2020

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Applications must be submitted electronically through an application portal according to instructions provided in the application form in the portal www.soknaraetlun.is. The application must be of quality, clear and contain a credible project timeline and budget plan. Allocation committee may reject an application if it is considered unsatisfactory and it is then not accepted for review. A decision from the Allocation committee is final and cannot be reevaluated for individual applications. Justification for rejection of applications can be requested.

Applicants for the East Iceland Development Fund can be: legally competent individuals and legal entities domiciled in East Iceland or with a strong connection to the region. Institutions, public companies and associations owned by the state or municipality shall, as a rule, be not be a project leader in projects. Applicant for founding or operating grants in the cultural sector must be legal entities.

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The applicant shall demonstrate a contribution of at least 50% to complement support from the fund. A clear account must be given of what constitutes as the contribution, i.e. work contribution, capital or other. The application must be accompanied by confirmation of the contribution and participation of other parties in the project.

The applicant is promised confidentiality regarding the application, but a list of beneficiaries, project names, brief project description, grant amounts and total costs will be published.

The applicant must have completed a preliminary and/or final report on previous grants before applying for a new grant, whether for a continuing project or a new project.

Projects should normally not last longer than one year. For long-term projects, phases must be explained and applied funding intended to cover a specific part of the project to be completed within 12 months of signing grant agreement. Support may be granted for two to three years subject to certain conditions, see below Special conditions for grants extending over two to three years.

The applicant guarantees that all required permits are in place for the execution of the project.

The Structural Fund shall conclude an agreement with the grant recipient before beginning any payments. The agreement states all foreseeable changes such as less funding than expected in the application. Grants will be paid according to contract terms and project progress. Final payment is made following an acceptable submission of the final report.

Grants of less than one million krónur are paid in two parts: half (50%) upon signing contract and other half when a satisfactory submission of the final report has been made together with the relevant supporting documents. Grants greater than one million ISK will be paid in three parts: 30% upon signing the contract, 40% upon submission of a progress report and a final payment (30%) when a satisfactory final report is submitted, along with the relevant supporting documents.

A final report shall include information on progress and performance in comparison with a progress plan in the application and terms of the contract. All changes must be accounted for, including if the Structural Fund or other funding has deviated from an
original plan. Project evaluation is based on a final report, and such changes are considered, but the Allocation Committee may decide to withhold a final payment if there are significant changes to the project since the submission of the application and the signing of the contract. It is important that the beneficiaries run foreseeable changes of projects by the project manager and / or the allocation committee before executing such changes. If a project is not completed within 12 months, from the signature of the contract and the first payment, the beneficiary must submit a detailed statement explaining delays or make a refund of the grant. The Allocation Committee handles such cases.

10: The applicant confirms, with reference to EU regulation no. 1407/2013 on de minimis aid, that public support to the project does not exceed EUR 200,000 in total, including the support applied for, during the last two fiscal years and the current fiscal year.

11: Allocation rules are reviewed annually by the East Iceland Structural Fund allocation committee - consultation forum of the East Iceland Sóknaráætlun and approved by the Board of SSA, Regional Association of Local Authorities in East Iceland

*EXPLANATION: FROM ACT NO. 37/1993: ARTICLE 21. WHEN JUSTIFICATIONS FOR REJECTION SHOULD BE PROVIDED.
A PARTY TO THE CASE MAY REQUIRE A JUSTIFICATION FOR ITS DECISION IN WRITING IF SUCH JUSTIFICATION HAS NOT BEEN PROVIDED WHEN THE RESULT WAS NOTIFIED. THE FIRST PARAGRAPH HOWEVER, DOES NOT APPLY IF: 1. THE APPLICATION IN QUESTION HAS BEEN MEASURED IN ALL RESPECTS. 2. THESE ARE GRADES AWARDED FOR EXAM PERFORMANCE. 3. IN THE CASE OF GRANTS IN ARTS, CULTURE OR SCIENCE. A REQUEST FOR JUSTIFICATION FOR A DECISION MUST BE MADE WITHIN 14 DAYS OF THE DECISION NOTIFIED AND THE AUTHORITY SHALL RESPOND TO IT WITHIN 14 DAYS OF ITS RECEIPT.

Special conditions for grants extending two to three years

The East Iceland Structural Fund may grant progressive and important projects support for two or three years, subject to certain conditions. All allocation rules apply to long-term projects plus the following conditions:

A: Project description
The project description must include an additional, as requested in the application form, description of the context in which the project takes place (ideology, environment, benefits). A clear description of the execution and implementation and explain why and how funding for longer than one year is important for the project. The role and purpose of the Structural Fund is to support projects in East Iceland, so it is important in the project description for a long-term project, that the value of the project for East Iceland is underscored.

B: Schedule
A project plan must describe the timeline of a project with a clear beginning and end, or specific phases if the project has no actual beginning or end. A project plan must be submitted each year for the number of years applied for. At the beginning of each grant year, a work plan for the year must be submitted and at the end of the year, a progress report must be submitted in accordance with the provisions and terms of the grant agreement.
C: **Business operations**

The application must be accompanied by a detailed and clear operational plan for a project which states project financing and expenses. The status of operations must be submitted between years.

D: **Agreement**

A grant agreement is signed at the beginning of the project and stated in it contract terms regarding project progress and payments. The contract is a prerequisite for payments and is reviewed annually during the term of the contract. Breach of a contract may result in termination.

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**Eligible costs**

The East Iceland Structural Fund takes part in funding eligible costs, these shall be included in the application’s cost estimate and can include the following factors.

**Wages & salary-related expenses**

Work contribution is based on the applicant’s or partner’s hours worked — the reference rate per work hour is ISK 4,500. Other rates may be calculated as applies to participants in each case individually. Although not lower than the reference rate. Time reports of work on the project should be kept and submitted with other documents for final settlement from the fund.

**Travel & meeting expenses**

All trips, both abroad and domestically, must be accounted for: purpose of travel, destination and travel budget plan. Efforts should be made to choose the most cost-effective and the most environmentally friendly mode of travel at any given time.

**Purchased service**

The application shall define the purchased service and/or advice; where the service is purchased from, what it entails, the cost and the estimated yield. Work varied out by the applicant or partner is not covered as purchased services.

**Other costs**

The application must describe what kind of resources are needed for the project. It is permissible to purchase necessary specialized equipment for the project but general equipment; e.g. office equipment is not eligible.

**The Structural Fund does not finance**

Investments in companies, land acquisition or housing. Registration of cultural objects, activities of sports clubs, town festivals or general gatherings without a defined specific position, general congregation work and traditional cultural work within the school. Studies that have access to other public funds. Costs incurred before the application is paid. Institutional and operating grants to entities legally entitled to such grants from other public funds, e.g. museums and institutions with contracts with the state.
| **Uppbyggingarsjóður Austurlands** | Is undeniable. The aim and purpose of the operation / project is unclear and the objectives of the project are clear. Cultural and social value of the project for East Iceland is clear and convincing. The project is related to the priorities and objectives of Sóknaráætlun. The project creates limited jobs in the field of culture. The project has little social impact in terms of culture and / or education. The project lacks a professional approach, a holistic view or a strong professional context. The project has limited cultural impact. The project is not related or unclearly to the focus and goals of Sóknaráætlun. The project is clearly linked to the priorities and objectives of Sóknaráætlun. The project creates jobs in the field of culture. The project is clearly linked to the focus and goals of Sóknaráætlun. The project has a professional approach, a holistic approach and a strong professional context. The project has great cultural impact. The project has a professional approach, a holistic approach and a strong professional context. The project has great cultural impact. The project is clearly linked to the priorities and objectives of Sóknaráætlun. The project creates limited jobs in the field of culture. The project has little social impact in terms of culture and / or education. The project lacks a professional approach, a holistic view or a strong professional context. The project has limited cultural impact. The project is not related or unclearly to the focus and goals of Sóknaráætlun. The project is clearly linked to the priorities and objectives of Sóknaráætlun. The project creates jobs in the field of culture. The project is clearly linked to the focus and goals of Sóknaráætlun. The project has a professional approach, a holistic approach and a strong professional context. The project has great cultural impact. The project has a professional approach, a holistic approach and a strong professional context. The project has great cultural impact. |

| **Stock & more** | The applicant expresses some professionalism and clear expectations. The project is clearly linked the priority of Sóknaráætlun priorities and objectives. The project will impact and / or has educational value in a designated area. The project has links with professional or academic institutions. Clear collaboration between two or more parties. Strong links with professional or academic institutions. There is a high likelihood of a positive social impact in terms of culture and / or employment and environment. The budget is clear and realistic. The application is clear and easy to access. The description is clear and easy to access. There are no links to Sóknaráætlun's goals in terms of community, culture, employment and environment. There is no connection to Sóknaráætlun's goals in terms of community, culture, employment and environment. There is no connection to Sóknaráætlun's goals in terms of community, culture, employment and environment. |

| **Credibility** | Application is credible and satisfies the assessment criteria convincingly. The implementation and results of the project are clearly defined. The application is described in such a way that it is very likely that the applicant will be able to carry out the project satisfactorily. The applicant's knowledge and experience (and its partners) are described in the application in such a way that the applicant is likely to be able to carry out the project satisfactorily. The applicant's knowledge and experience (and its partners) are described in the application in such a way that the applicant is likely to be able to carry out the project satisfactorily. The applicant's knowledge and experience (and its partners) are described in the application in such a way that the applicant is likely to be able to carry out the project satisfactorily. The applicant's knowledge and experience (and its partners) are described in the application in such a way that the applicant is likely to be able to carry out the project satisfactorily. |

| **Description** | Application meets minimum requirements and project plan is clear. The application is prepared, clear and detailed description acceptable. The application is well-prepared, clear and detailed description of the project. The application contains a clear and convincing description of the project. The application contains a clear and convincing description of the project. The application contains a clear and convincing description of the project. The application contains a clear and convincing description of the project. Application contains minimum requirements and project plan is clear. The application is well-prepared, clear and detailed description of the project. The application contains a clear and convincing description of the project. The application contains a clear and convincing description of the project. The application contains a clear and convincing description of the project. The application contains a clear and convincing description of the project. |

| **Expressiveness** | The description of business and / or innovative value is fair and realistic. There are chances of new jobs in the field of culture. The project will have an impact and / or has educational value in a designated area. The project has links with professional or academic institutions. Clear collaboration between two or more parties. Strong links with professional or academic institutions. There is a high likelihood of a positive social impact in terms of culture and / or employment and environment. The budget is clear and realistic. The application is clear and easy to access. The description is clear and easy to access. There are no links to Sóknaráætlun's goals in terms of community, culture, employment and environment. There is no connection to Sóknaráætlun's goals in terms of community, culture, employment and environment. There is no connection to Sóknaráætlun's goals in terms of community, culture, employment and environment. |

| **Innovation** | Sóknaráætlun priorities and objectives. The project will create jobs in the field of culture. The project is clearly linked to the focus and goals of Sóknaráætlun. The project is related to the priorities and objectives of Sóknaráætlun. The project creates limited jobs in the field of culture. The project has limited cultural impact. The project is not related or unclearly to the focus and goals of Sóknaráætlun. The project is clearly linked to the priorities and objectives of Sóknaráætlun. The project creates limited jobs in the field of culture. The project has limited cultural impact. The project is not related or unclearly to the focus and goals of Sóknaráætlun. The project is clearly linked to the priorities and objectives of Sóknaráætlun. The project creates limited jobs in the field of culture. The project has limited cultural impact. The project is not related or unclearly to the focus and goals of Sóknaráætlun. 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