



EUROPEAN UNION

Delegation of the European Commission
to Montenegro

CONTRACTING AUTHORITY'S CLARIFICATIONS

Request for clarifications no 2

Open Call: **Cross-border Programme Croatia-Montenegro, 2007-2008**

Reference: **EuropeAid/128959/L/ACT/MULTI**

Q46: Is pre-financing of projects possible?

A46: Yes, pre-financing payments are foreseen in grant contracts. Please see the table at the bottom of the Section 1.3 of the Guidelines for Applicants (GfA). This table is no more than a simple representation of the more detailed explanations provided in article 15.1 of the General Conditions (GCs) applicable to European Community-financed grant contracts for external actions. The GCs are part of the documents published in the application package under the title “Documents for information”.

Q47: Could we engage state administration employees as independent experts in our project?

A47: Employees of the public administration can work and be paid for their work in those projects where the applicants and partners are the institutions for which they work following the principle stated in section 2.1.4 of the GfA “*Eligibility of costs: costs which may be taken in consideration for the grant*” which lays down the following provision: “*Civil servants or other public employees of central or local administrations which participate under this call for proposals may not receive fees for their contribution to the action other than their salaries in the respective institution.*”

However, when the applicants and partners have to procure the services such as those of an independent expert, they have to follow the provisions of “Procurement by grant beneficiaries in the context of European Community external actions”, which is annex IV of grant contracts and can also be found among the Documents for Information of the call. In the event that the beneficiary can prove in writing that the only option of technical services to be procured is offered by an individual who is a civil servant or an employee of the public administration, the Beneficiary will request in writing to the Contracting Authority the permission to hire the services of that civil servant or employee of the public administration. The Contracting Authority will carefully assess the request and issue an approval or refusal depending on the quality of the substantiation.

Q48: Are institutions such as Employment Agencies from Montenegro and Croatia eligible under the measure 3 of the Programme?

A48: Please read carefully section 2.1.1 of the GfA “Eligibility of applicants: who may apply?” Please note that under the category “social service providers”, the text displays an “etc”.

Q49: Our institution has its main office in Zagreb and, for instance, a branch office in Dubrovnik. Which project management experience should we present in the application, i.e. the one belonging to the Head office in Zagreb, or that of its branch in Dubrovnik?

A49: It will depend on who is the legal person applying. The project management experience of the organisation which is the applicant (either the Central Office’s or the Branch’s, if the latter exists as a separate legal person) should be the one presented in the Application Form (AF).

Q50: Where can we obtain the power point presentations of the information sessions?

A50: All power point presentations from the Information Sessions are uploaded at the Programme web site: <http://www.cbccro-mne.org>.

Q51: Can an applicant come from European countries other than the two countries participating in this cross-border programme?

A51: Please see the answer of the question 10 in the first set or lot of questions and answers published in this page as well.

Q52: How many applications containing good logical framework matrixes have you awarded a grant?

Q52: Applications awarded grants always contain logical framework matrixes of sufficient quality. The logical framework matrix is a tool for understanding the intervention logic of the project that is assessed by evaluators during the formal examination of the technical quality of an application.

Q53: Which are the criteria to assess the Financial and Operational Capacity of the Applicants?

Q53: Please refer to section 2.3 of the GfA “Evaluation and Selection of Applications”, specifically to the evaluation grid. Evaluators/assessors will assign a score for experience of project management in accordance to what the applicants have declared in section 4 of the Part B I of the AF as project experience and the value of those projects in the relevant thematic sector (section 2.2 of the application form) within the last five years.

Evaluators/assessors will assign a good score in technical expertise if, in section 2.2 of the Part B II of the AF, each applicant has marked those thematic sectors that are related to the thematic areas of this call for proposals (education, water supply and sanitation, government and civil society, conflict prevention and resolution, peace and security, other social infrastructure and services, trade and tourism, general environment protection, and other multi-sector).

Evaluators/assessors will assign a score in management capacity when each applicant has a sufficient number of paid staff (section 3.3.3 of part B II of the AF) in their headquarters during the last calendar year (i.e. 2008).

Finally, evaluators/assessors will assign a score in stable and sufficient sources of finance in view of the financial data provided by the applicants in the Part B II of the AF in terms of their turnover, revenue, capital, variety of previous and current sources of funding, etc., and against the amount of expected EC co-financing for the application in question.

Q54: How can we define our target groups?

A54: Target groups are the groups or entities who will be directly and positively affected by the project at the project purpose level.

For more information please consult the Project Cycle Management Guidelines that can be found at the following webpage:

http://ec.europa.eu/europeaid/multimedia/publications/publications/manuals-tools/t101_en.htm

Q55: Can we engage consultants to write our proposal and pay them from the project?

A55: Please see the answer to the Question 1 in the first set or lot of questions and answers published under the call.

Q56: Is it acceptable if our target group, defined in the project, is the same as the national-level target group with which our organization is working?

A56: Please see the answer to the question 54 above.

Please note also that the action “*must take place in the programme area of Croatia and/or Montenegro*” (see section 2.1.3 *Eligible actions: actions for which an application may be made*) and have, as the target group, groups or entities who live and operate in the programme area.

Q57: Can we include office equipment in the budget costs?

A57: Please see section 2.1.4 of the GfA “*Eligibility of costs: costs which may be taken in consideration for the grant*”, specifically the sub-section “*eligible direct costs*”.

Q58: Our experience in project management is modest. If we are applicant, can we present in the project the experience of our partner in Croatia?

A58: Please see the answer to the Question 49 above. The relevant project management experience that will be taken into account to assign a score under the question 1.1. of the evaluation grid (section 2.3 of the GfA) is exclusively that of the applicants. Partners

present their experience in management separately under the Part B III of the AF, but this is not taken into account to assess the quality of the partnership under sections 2 & 3 of the evaluation grid, more concretely question 3.3.

Q59: In the Application Form there is a table where we should note our past activities. Do we have to open a separate table for each project?

A59: In section 4 of Part B I of the AF, separate tables are required for each individual project entry.

Q60: Some individuals in our organizations have their personal past experience, gained out of our organization. Can we present those pieces of experience as experience of the organisation?

A60: Every reference to experience in the AF must be linked to the applicant organizations/institutions, and not to individuals who currently may work as part of their staff.

Q61: Should we present the experience of our central office in Zagreb, or the experience of the local office in Dubrovnik?

Q62: Please see the answer to the Question 49 above.

Q62: Should we write the whole names of the applicants in the Budget document, or just note them as Applicant 1 and Applicant 2?

A62: There is no special requirement related to this point, provided that the budget entry or line make a clear reference to the entity incurring the costs .

Q63: Are the employees in the Scientific and Research institutes also considered as part of the state administration?

A63: You should consult the relevant provisions in the national legislation about the status of civil servants and other employees of the central or local administrations. Please note that section 2.1.4 of the GfA dealing with the eligibility of costs stipulates:

Civil servants or other public employees of central or local administrations which participate under this call for proposals may not receive fees for their contribution to the action other than their salaries in the respective institution. The salaries of the civil servants or other public employees of the central and local administrations may be presented as co-financing contribution of the applicant.

Q64: Should we ask the proof of origin for all items, or just for those that cost over a certain amount?

A64: As stipulated in section 2.2 of annex IV of the standard grant contracts dealing with procurement by grant beneficiaries (see answer 47 above), the beneficiaries purchasing

equipments and vehicles of a unit cost on purchase of more than € 5,000 must present proof of origin in their narrative reports.

Q65: Where should we include the costs for the participants in seminars - in budget heading „Human resources“, or in the budget heading „other costs/services“?

A65: Every per diem incurred by both the staff of the project and the external participants in a seminar organised by the project should be computed in the budget heading „Human resources“, specifically under the budget line 1.3.3. However, every sub-contracted service associated to the organisation of seminar such as rent of the premises and equipment, beverages, meals, accommodation, etc must be computed under the budget heading „Other costs/services“, specifically under the budget line 5.7.

Q66: Which costs should be included in the per diems for foreign experts?

A66: A per diem is a subsistence allowance used in the framework of EC-funded external aid contracts and in case of missions. Individuals are entitled to per diems when they spend more than 6 hours away from their base of operations and would be entitled to a full per diem when their mission requires an overnight stay from that same base of operations. Per diems cover accommodation, meals, local travel within the place of mission and sundry expenses. The applicable rates to the per diems must not exceed the latest scales detailed per country in:

http://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/index_en.htm

Q67: How should we present in the Budget the usage of private car?

A67: The EC is accepting the provision of payment of up to € 0.25 per kilometer for usage of a private car in the project activities. This should be explained in the budget justification and a record of detailed car use must be kept. This expenditure would be presented under budget line 2.2 of the budget of the action.

Q68: Do we have to keep and present in the reports bills and invoices connected to the Administration costs?

A68: No. In line with the provisions of the article 14.4 of the GCs (annex II of the grant contracts, see documents for information), the allocation for administrative costs is considered a flat-rate and does not need to be supported by accounting documents. The costs covered by this budget line are eligible provided that they do not include costs assigned to another heading of the budget of the application.

However, it is good practice that grantees keep supporting accounting documents for these costs in their financial records.

Q69: Is the volunteering labour eligible for cofinancing?

A69: No, as specified in section 2.1.4 of the GfA, in kind contributions are not eligible costs and therefore they cannot serve as cofinancing.

Q70: Is the the lead partner based in Zagreb eligible?

A70: Please see the answer of the question 10 of the first set or lot of questions and answers under this call.

Q71: Do you know potential applicants interested in launching a project in the field of education?

Q71: There has been word about several project ideas related to education during the Partner search forums organised within the Programme. The list of potential applicants' contacts and project ideas could be found on the Programme web site (<http://www.cbccro-mne.org>) and the Electronic Forum established by the Government of Montenegro.

Q72: May private households, locally called "Gazdinstva" apply for a grant?

Q72: Please see the answer to the question 38 of the first set or lot of questions and answers under this call.

Q73: What kind of experience in project management should we present in the Application Form? Should they be solely from EU programmes?

Q73: Please see the answer to the question 24 of the first set or lot of questions and answers under this call. Please see also questions 53 and 59 above.

Q74: Should a local branch of an NGO which apply for a grant present their own experience or those gained by the wider organization they belong to?

A74: Please see the answer to the Question 49 above.

Q75: Are the Administrative costs actually Overhead costs?

A75: Administrative costs are sometimes called overhead costs or indirect costs.

Q76: What will happen if we present in the Budget the estimate for the purchase of a piece of equipment at a certain price (after a tender procedure), and this price varies by the time the project can be implemented?

A76: Any notable variation in the expenditure of the project with respect to the original budget of the grant contract must be notified to the Contracting Authority. As regulated in article 9 of the GCs (see documents for information), depending on the budget impact of the variation, an addendum of the contract may even be necessary. Applicants must be reminded that the total amount of a grant is fixed and no financial resources can be added to the amount originally sought.

Q77: Should we give a detailed description of the equipment (furniture: number of chairs etc.) in the Budget?

A77: Budgets can be as detailed as necessary to offer a clear idea of the expenditure at stake and prove the quality of the financial planning done by the applicant. Please note that the budget template also contains instructions on particular budget lines.

Q78: Is there minimum and maximum limit for the salaries of the project staff compared to the entire cost of the Budget?

A78: There is no limitation regarding the share of the salary costs in relation to the entire budget costs. The share of human resource expenditure in a budget will depend to a large extent on the activity structure and its intensity in workforce use. Salaries should nevertheless be shown at the usual market prices. Moreover, the relation of activities and costs should be well explained in the description of the action as it is the subject of scoring under the Evaluation Grid.
