



EUROPEAN UNION

DELEGATION TO THE REPUBLIC OF SERBIA

Belgrade, 13 July 2010

LT/SF D(2010) 03388

## FREQUENTLY ASKED QUESTIONS No. 1

### REGIONAL SOCIO-ECONOMIC DEVELOPMENT PROGRAMME 2 (RSEDP2) – 2<sup>nd</sup> Call for Proposals

Publication ref.: EuropeAid/130168/L/ACT/RS

Our ref.: 07SER01/13/51

No	Question	Answer
1	In case of studies financed from the project, does the limitation of 100.000€ applies for the overall project or a study within the project?	The limitation applies for studies within the project, not the overall project.
2	Is a project related to the production of bio-methanol eligible, or it falls under restrictions within the Call for Proposals (CAEN 1591)?	Actions related to the production of bio-methanol are eligible.
3	Could a grant financed project have a component of a "grant scheme", namely could it award subsidy grants on the basis of a public call, as a part of the overall project?	All activities implemented under the grant financed project should be defined in advance. In case of such "secondary" grant scheme, the activities would only be defined after the commencement of the grant financed project, meaning that they could not be considered as eligible activities.
4	In which language should the documents uploaded in PADOR system be?	According to the Guidelines for Applicants translation of supporting documents to the language of the call for proposals is to be provided "where such documents are not in one of the official languages of the European Union or in the language of the country where the action is implemented". Meaning that the supporting documents could be provided in Serbian language. However following the instructions from PADOR manual it is strongly recommended to provide non-official translation of these documents to English/French/Spanish/Portuguese.
5	We have noticed that in the Checklist in the Application form, the minimum number of	The minimum number of partners is 2. There is a mistake in the check-list.

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	partners mentioned is 3, while in the Guidelines for Applicants the minimum number of partners is 2. Please clarify.	
6	Who is considered as ‘civil servant’	The civil servants are the employees with that status as defined by the relevant legislations.
7	Are the salaries of civil servants considered eligible cost?	Yes, salaries of civil servants are eligible cost. However, the salaries cannot be financed from the grant allocation. They can only be used as a co-financing part of the total eligible cost.
8	Should an agency for SME provide an audit report of their accounts in case we are applying for a grant larger than 500.000€.	The condition does not apply for international organisations, public bodies and secondary and higher education establishments. Meaning, that if the agency has a status of public body it is not required to provide an audit report.
9	Are secondary schools eligible as applicant or partner?	Yes, secondary schools are eligible as applicant or partner. Depending on their founders (public or private) and statute, they fall under the categories ‘public’ or ‘private’ institutions as defined in the Guidelines for Applicants.
10	Are research institutes eligible as applicant or partner?	Yes, research institutes are eligible as applicant or partner. Depending on their founders (public or private) and statute, they fall under the categories ‘public’ or ‘private’ institutions as defined in the Guidelines for Applicants.
11	Are women associations, cooperatives eligible as applicant or partner?	Yes, the mentioned entities are eligible as long as they are a legal body.
12	Which RDAs are not entitled to indirect costs from the project?	The RDAs which already benefit from an EU-funded operating grant, namely Kragujevac, Novi Pazar, Uzice, Kraljevo, Pozarevac, Zrenjanin, Leskovac, Zajecar, Nis.
13	Are Local Communities (mesne zajednice) eligible as applicant or partner?	Yes, Local Communities are eligible as applicant or partner.
14	In case an infrastructure project is being planned, should the land/buildings be in the ownership of the applicant, partner or it could be in private ownership?	Land or buildings where construction, re-construction is implemented should be in ownership of applicant or partners. If in other ownership, a proof of long-term lease of land/assets for 10 years after the signature of the contract should be provided.
15	Is it allowed that apart from public partners also a single private company participates as partner?	No, a single private company can only participate as associate.
16	Will the grant beneficiaries receive pre-financing or they will be financed on the basis of re-funding of costs.	The grant beneficiaries can expect pre-financing of 80% of the planned allocation for the first year of the project.
17	Is a feasibility study necessary supporting	The required supporting documents in case of

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	document in case of construction, re-construction projects?	<p>construction and re-construction projects are: proof of ownership, preliminary or detailed works design, indicative priced bill of quantities, building permit. According to the Guidelines for Applicants a feasibility study or letter of intent of tenants is required in case of improvement of existing business zones.</p> <p>The applicant should however have in mind that also any other construction or re-construction should be properly justified through the application. Therefore it would be in any case recommendable that a feasibility study backs the projects.</p>
18	Is it necessary to implement expenditure verification after the conclusion of the project? How the auditors are selected?	<p>Yes, expenditure verification report is an obligatory annex to the final financial report. The costs of expenditure verification are eligible under the budget line 5.3. and should be planned in the budget.</p> <p>The auditor will be selected by the beneficiary from the list of certified auditors, before the signature of the contract.</p>
19	Who will be in charge of secondary procurements from the projects, applicant or partners?	The project applicant will be in principle in charge of all secondary procurement from the grant financed projects. All the secondary contracts will be signed by the grant applicant (acting as the Contracting Authority in the secondary contracting procedure).
20	When the final payment can be expected?	According to the "General Conditions applicable to European Union-financed grant contracts for external actions", the final balance payment will be issued 45 days after the approval of the final report by the Contracting Authority.
21	Should the project budget present in details the plan for co-financing?	The project budget does not need to present detailed plan for co-financing. It is important that on the level of the overall budget the necessary/planned co-financing is presented.
22	Can the technical documentation be financed from the project?	Such documentation can be considered eligible within the project. However the applicants should have in mind minimum pre-conditions (supporting documents) required to apply a construction project. Any such documentation should be obtained before the signature of the contract.
23	Can the agency Alma Mons be included in the project partnership?	The mentioned agency can be included in the partnership if it satisfies the basic criteria as set up in the Guidelines for Applicants. It should be a legal body from public or private sector, registered in Serbia, EU, EEA, IPA or ENPI countries. NGOs and international organizations

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		<p>are also eligible to apply.</p> <p>Please note that single private companies cannot be applicants or partner and can only participate in the capacity of associate.</p>
24	Are there restrictions regarding the age of the Applicant such as min. 3 years since the establishment to be able to apply?	No such restrictions apply in this Call for Proposals.
25	What is the time line after the submission of the project proposal in case it shall be contracted - what time it takes to receive the funds for the implementation etc.?	According to the ‘Special conditions – Grant Contract – External Actions of EC’ the first instalment of pre-financing will be paid to the Beneficiary within 45 days from the signature of the contract.
26	In the 2 <sup>nd</sup> call for proposals for RSEDP2 one of eligible theme is trade development. Did you mean trade development in country or/and export trade development.	The eligible activities include internal and export trade development.
27	Does the need for feasibility study or a letter of intent refers to business zones only or all investments.	In case of improvement of existing business zones, according to the Guidelines for Applicants, the demand should be demonstrated through a letter of intent from prospective tenants. For all other forms of investment, this demand should be demonstrated by presenting the relevant chapter from a Feasibility Study.
28	We understand that the cost-benefit assessment proving positive public value is demonstrated through the application form and does not represent a separate document. Is this a correct understanding?	<p>Cost – Benefit Assessment should include a Financial Analysis and an Economic Analysis as defined in <i>Guide to Cost-Benefit Analysis of investment projects</i>, issued by DG Regio in 2008 that is to be found at:</p> <p><a href="http://ec.europa.eu/regional_policy/sources/docgener/guides/cost/guide2008_en.pdf">http://ec.europa.eu/regional_policy/sources/docgener/guides/cost/guide2008_en.pdf</a>.</p> <p>The potential applicant could decide to attach the analyses as separate documents or to include the main findings and conclusions in the relevant chapters within the Application form.</p>
29	We have noticed that the RSEDP2 Handbook of good practice is not available on RSEDP2 website.	The handbook of good practice, along with application pack, presentations from Info-days and Manual on project preparation are available at the web-site <a href="http://www.rsedp2serbia.eu">www.rsedp2serbia.eu</a> , page grant scheme, second call for proposals.
30	Is it possible to purchase used equipment in the 2 <sup>nd</sup> Call for Proposals RSEDP?	Second hand equipment is not eligible.
31	Is there information session foreseen in Brussels as well?	Unfortunately no information session is planned in Brussels.
32	When you say partner(s) can be cluster associations – what do you mean by the term “cluster” specifically?	To be eligible as applicants or partners under this Call for Proposals the “clusters” should be

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		associations of a number of companies and/or other institutions, which are registered as a separate legal body.
33	If the impact area of the project extends to EU or other countries (Croatia, Hungary) – can we have partners from other countries who are directly involved in implementing the project.	Project partners can come from Serbia, EU, EEA, IPA or ENPI countries, providing that they are fulfilling all other eligibility criteria. Nevertheless have in mind that all the project activities should take place in Serbia.
34	As to our knowledge the RDA office in Subotica does not exist. Is this any kind of issue regarding being the lead applicant?	Only existing legal bodies can be lead applicants or partners in this Call for Proposals.
35	We intend to make a feasibility study which might be highly costly. Is it possible that the project refinances this in way of preparatory costs.	Preparatory costs are <u>not</u> eligible under this Call for Proposals.
36	We are a private company. Can we apply as a private company in partnership with higher education institution?	Single private companies can participate in the project only in the role of associate or subcontractor.
37	Can a development bank of a certain region be a partner in a project? The bank is in 62% public ownership and minority stakeholders are private companies.	According to the Guidelines for Applicants, private companies can participate in the project only in the role of associate or subcontractor.
38	What kind of organisations are the most adequate for being partners (excluding RDAs)	Any organization listed as eligible in the Guidelines for Applicants, Point 2.1.1. is eligible to participate either as applicant or partner.
39	On the page 7 of the GfA the RDAs are defined in the footnote as ‘public sector operator’. On the page 20, under paragraph 2.4. Submission of documents for provisionally selected applicants, the last phrase states ‘Where the grant requested exceeds 500.000€ an external audit report needs to be provided. Further on it is stated ‘this does not apply to public bodies. Following this, does an RDA need to submit an audit report in the above case?	The public bodies, which are not obliged to submit the audit reports as described under paragraph 2.4., include any organization that is considered public, <u>when stated so in the statute of this organization.</u>
40	Is it possible to directly support the reconstruction and equipping of individual agricultural households (rooms, bathrooms, kitchen and similar), specifically for the purpose of categorisation.	As specified in Guidelines for Applicants: for all the applicants whose project involves the <b>execution of works</b> is required a proof of ownership or long term lease (10 years after the signature of the contract) of the land or assets (buildings included).
41	Are public utility companies eligible?	Yes as they fall in the category of <i>public sector operators</i> as defined under 2.1 Eligibility criteria

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42	Are study tours outside Serbia eligible?	Study tours abroad are not eligible as all activities have to take place in Serbia. The transfer of knowledge from abroad is encouraged but other forms, tools and methods should be considered.
44	Question 1.4 from Evaluation Grid refers to the main applicant or consortium (applicant and partners) as a whole?	Only the financial capacity of the main applicant will be considered
45	Are trucks and cars eligible?	The procurement of such equipment may be eligible in the project as long as it is demonstrated as being essential for carrying out the action.