

CONTRACTING AUTHORITIES' CLARIFICATIONS Nr 1
"Cross Border Programme Serbia – Bosnia and Herzegovina"

2nd Call for Proposals

Publication ref.: EuropeAid/131735/L/ACT/IPA

Questions submitted during info days

Eligibility of applicants

N.	Question	Answer
1.	Is an L.t.d. company eligible to apply in the Second Call for Proposals?	<p>Please refer to Section 2.2.4 of the Guidelines to applicants: In the interest of equal treatment of applicants, neither the Contracting Authorities, nor the National or joint bodies in charge with the coordination of this Call for Proposals, will give a prior opinion on the eligibility of an applicant, a partner, an action, or of specific activities within an Action.</p> <p>The eligibility criteria of applicants and partners are specified in Section 2.1.1 and 2.1.2 of the Guidelines to applicants.</p>
2.	We are a public utility company established by the Municipality of Tuzla who is at the same time the owner of 100% of the public utility company. We are registered as an L.t.d, i.e. a company which makes profit. Are we eligible to apply?	<p>Please see answer 1.</p>
3.	Are cooperatives eligible as applicants in this Call?	<p>Please see answer 1.</p>
4.	Can a football federation be partner in the project?	<p>Please see answer 1.</p>
5.	Is the town of Sremski Karlovci within the eligible territory of the Programme?	<p>As regards the Programme area, please refer to section 2.1.4.4 (Location) of the Guidelines for Applicants.</p>



This project is
co-funded
by the EU

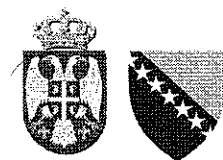
www.srb-bih.org
www.evropa.gov.rs
www.dei.gov.ba



2



6.	Is Belgrade eligible area?	Please see answer 5.
7.	Can organizations/institutions from Trebinje (BiH) and Backa Palanka (Serbia) be partners on a CBC project?	Please see answer 1. Please note the requirements for the location where action(s) may take place, under Section 2.1.4.4. (Location) of the Guidelines for applicants.
8.	Can an organization that is based in Banja Luka and implements its activities on the entire territory of Bosnia and Herzegovina be an applicant in this Call?	Please see answer 7.
9.	If an applicant is from Zrenjanin, is he eligible to apply if all the activities will be carried out at the Programme territory?	Please see answer 7.
10.	Does an applicant have to fulfill all three requirements from the slide n. 20 if he would like to apply: 1. Be established in Serbia when applying for the allocation for Serbia and be established in Bosnia and Herzegovina when applying for the allocation for Bosnia and Herzegovina; 2. Be non-profit legal persons established by public or private law for the purpose of public interest or specific purpose of meeting needs of general interest and 3. Be directly responsible for preparation and management of the action with their partners, not acting as intermediaries?	All requirements stipulated under the Sections 2.1.1. (applicants) and 2.1.2 (partners) of the Guidelines for Applicants must be fulfilled.
11.	Is an Applicant obliged to have partners?	No. The IPA CBC Programme seeks for relevant and coherent partnerships, whose composition should be instrumental to reach the goals of the project. Thus, having partners is not an obligation but has to be relevant and coherent with the envisaged objectives and activities of the project.
12.	Can an Applicant at the same time be partner in one or more other projects?	Yes, under the conditions stipulated under Section 2.1.4.7. (Number of proposals and grants per applicant) of the Guidelines for Applicants.



3



13.	Is an international NGO eligible as applicant?	Please see answer 1.
14.	Can a foreign NGO that has offices in Bosnia and Herzegovina be a Functional Lead Partner in a project?	Please see answer 1.
15.	Can an international NGO be a partner in the project, since it cannot be an applicant?	Please see answer 1.
16.	What can be a role of an international NGO with the offices in BiH in the project? Can it be a partner?	Please see answer 1.
17.	Can the International Organization Oxfam from Italy be an applicant, since it has the license issued by the Ministry of Justice BiH to work in Bosnia and Herzegovina?	Please see answer 1.

Eligibility of Actions

18.	If an Applicant mainstreamed CCI through promotion of sports activities, what measure would the project fall in?	<p>Please consult the Section 2.1.4.5. (Types of action/activity) of the Guidelines for Applicants.</p> <p>In the interest of equal treatment of applicants, neither the Contracting Authorities, nor the National or joint bodies in charge with the coordination of this Call for Proposals, will give a prior opinion on the eligibility of an applicant, a partner, an action, or of specific activities within an Action (Section 2.2.4. of the Guidelines for Applicants).</p>
19.	If more two applications are submitted within one call and both of them are scored high and recommended for financing, can both of them obtain funds?	<p>An applicant may submit more than one proposal under this Call for Proposals. However, an applicant shall not be awarded more than one grant under the Call.</p> <p>Please refer to the Section 2.1.4.7. (Number of proposals and grants per applicant) of the Guidelines for Applicants.</p>



20.	Can the application that was rejected in the previous call for proposals be upgraded and submitted within the following call?	Every project proposal which is in line with the Priorities, Measures and the rules of the Programme - as set forth in the Guidelines for Applicants for this Call for Proposals - may be a candidate for award of a grant. Please note that eligibility rules for this Call for Proposals (please refer to Section 2.1. ELIGIBILITY CRITERIA) are different from the ones set for the previous Call for Proposals.
21.	What does the formulation "<i>Preparation of feasibility studies and other technical documentation for large-scale infrastructure interventions, to be financed by sources other than this Programme</i>" in the Section 2.1.4.5. (Types of action/activity) under the Axis: Environment of the Guidelines for Applicants mean?	The section 2.1.4.5. (Types of action/activity), <i>Axis: Environment</i> of the Guidelines for Applicants, refers to the preparation of documentation needed for large scale infrastructure projects as a precondition for applying for funds from other sources and Programmes.

Eligibility of Costs and Budget

22.	Is the cost of rent/purchase of land eligible cost and which rules apply to rent/purchase of land?	According to Section 2.1.5.5. (Ineligible costs) of the Guidelines for Applicants, the " <i>purchase, rent or leasing of land and existing buildings</i> " is ineligible " <i>unless specifically allowed</i> " within Section 2.1.5.1. (Eligible direct costs). Section 2.1.5.1. (Eligible direct costs) indicates that " <i>The purchase of land for an amount up to 10 % of the total eligible costs of the action</i> " is an eligible cost.
-----	---	--



This project is
co-funded
by the EU

www.srb-bih.org
www.evropa.gov.rs
www.dei.gov.ba



23.	What is the method of payment of civil servants within the project?	<p>Salaries of civil servants are subject to the general requirements concerning eligibility of costs for human resources, as specified under Section 2.1.5.1. (Eligible direct costs) and 2.1.5.4. (Contributions in kind).</p> <p>Moreover, salaries for civil servants must fulfill the requirements set forth under section 2.1.5.6. (No-profit rule) of the Guidelines for Applicants; the requirements set under par. (1) are deemed to be respected only where costs for these salaries relate to activities which the relevant public authority would not carry out if it did not undertake the project concerned (i.e. criteria of additionality).</p> <p>Furthermore, the indicated Section 2.1.5.6. also reads:</p> <p><i>"2) Civil servants of other public employees of central and 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</i></p> <p><i>3) 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".</i></p>
24.	Which percentage of salaries of civil servants is allowed to be put in the budget?	<p>The percentage of budget allocated to cover human resources, including civil servants, shall solely depend on the activities undertaken within the action itself.</p>
25.	How are the salaries of the project staff presented and calculated in the budget?	<p>The salaries of the project staff have to correspond to actual gross salaries including social security charges and other remuneration-related costs.</p> <p>Please note that these costs must not exceed those normally borne by the Beneficiary of its partners, as the case may be, unless it is justified by showing that it is essential to carry out the Action.</p> <p>Please consult the Section 2.1.5.1. (Eligible direct costs) of the Guidelines for Applicants.</p>



26.	Is there any limit to the human resources heading and is there any advisable percentage that is applied to the salaries put in the human resources?	<p>Percentage of engagement of the staff working on the project will directly depend on their real engagement in the project implementation and in the project activities. In general the salaries must not exceed those normally borne by the Beneficiary or its partners as the case may be, unless it is justified by showing that it is essential to carry out the action.</p> <p>Please note that to be eligible, costs must also be reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency.</p> <p>Moreover, the Contracting Authority may impose modifications or reductions of costs that are not in accordance with the principle of sound financial management.</p>
27.	May the same person be a project coordinator on two different projects submitted by two different institutions?	<p>Yes, that is possible. However, please note that the percentage of engagement of one person may not exceed 100% of working time. Distribution of working time of a project coordinator on two different projects should depend on his/her engagement on the projects (e.g. 50%:50% or 30%:70% etc.).</p>
28.	Can the employed within the partner organization be project staff, e.g. project manager, project assistant?	<p>Yes, they can.</p>
29.	Is a fee that a consultant would receive for creating a school book within a project, which would be published eligible cost? The basis of the consultant's engagement would be a temporary engagement contract.	<p>Please refer to Section 2.1.5. (Eligibility of costs) of the Guidelines for Applicants.</p> <p>In the interest of equal treatment of applicants, neither the Contracting Authorities, nor the National or joint bodies in charge with the coordination of this Call for Proposals, will give a prior opinion on the eligibility of an applicant, a partner, an action, or of specific activities within an Action (Section 2.2.4. of the Guidelines for Applicants).</p>



This project is
co-funded
by the EU

www.srb-bih.org
www.evropa.gov.rs
www.dei.gov.ba





30.	If a consultant that will be engaged on the project is permanently employed somewhere else out of the beneficiary/partner organization, which contract will be a basis for his/her engagement on the project?	<p>The engagement of external experts which are not employees of the beneficiary is subject to the procurement rules stipulated in the Annex IV to the standard grant contract. Such experts would be working based on service contracts.</p> <p>The engagement of any expert is also subject to rules established within National Labor Laws concerning percentage of engagement of one person.</p>
31.	How do we justify office rent expenses if we have 3 external project staff, out of our organization, who come to work with us on the project at our premises and need space/telephone/electricity?	<p>Please consult the Section 2.1.5. (Eligibility of costs) of the Guidelines for Applicants.</p> <p>In the interest of equal treatment of applicants, neither the Contracting Authorities, nor the National or joint bodies in charge with the coordination of this Call for Proposals, will give a prior opinion on the eligibility of an applicant, a partner, an action, or of specific activities within an Action (Section 2.2.4. of the Guidelines for Applicants).</p>
32.	On the slide "Eligible Direct Costs" of the JTS pp presentation there is a sentence: "The purchase of land for an amount up to 10% of the total eligible expenditure of the Action", while on the other slide it says that purchase of land is ineligible cost. Can you clarify this? What about renting the land, is that eligible cost?	<p>According to Section 2.1.5.5. (Ineligible costs) of the Guidelines for Applicants, the "<i>purchase, rent or leasing of land and existing buildings</i>" is an ineligible cost, "<i>unless specifically allowed</i>" within Section 2.1.5.1. (Eligible direct costs). Section 2.1.5.1. (Eligible direct costs) indicates that "<i>The purchase of land for an amount up to 10 % of the total eligible costs of the action</i>" is an eligible cost.</p>
33.	What are the principles of co-financing of a project and are there any specific rules regarding the origin of the Beneficiary's co-financing?	<p>The co-financing contribution means that, since EU grant does not cover entirely the eligible costs of the proposed action, the balance must be financed from the applicants' or partners' own resources, or from sources other than the budget of the European Union .</p> <p>The level of co-financing must respect the minimum and maximum percentages required under Section 1.3.5. (Co-financing rules) of the Guidelines for Applicants.</p>



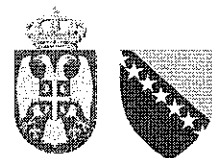
B

34.	Can you clarify applicant's contribution in the project, how is it calculated?	<p>Since EU grants do not cover the entire amount of eligible costs planned to implement the proposed action, the balance must be financed from the applicants' or partners' own resources, or from sources other than the the budget of the European Union.</p> <p>The level of co-financing must respect the minimum and maximum percentages required under Section 1.3.5. (Co-financing rules) of the Guidelines for Applicants.</p>
35.	Can the salaries of the project staff be presented as co-financing of the project?	<p>Yes, that is possible.</p> <p>Please refer to section 2.1.5.4. (Contributions in kind) of the Guidelines for Applicants.</p> <p>With regards to salaries of civil servants please also refer to section 2.1.5.6. (No-profit rule) as well as to answers to questions 23 and 24 above).</p>
36.	Can an NGO that has had annual turnover of EUR 50.000 apply for a grant that amounts to EUR 100.000?	<p>The Guidelines for Applicants do not include any strict requirement linking the amount of a requested grant with regards to financial capacity of an applicant.</p> <p>However, an applicant shall have stable and sufficient sources of funding to maintain its activity throughout the period during which the action is being carried out and to participate in its funding.</p> <p>Please see Section 2.3. (Evaluation and selection of applicants) of the Guidelines for Applicants, subsection STEP 3: EVALUATION OF FULL APPLICATIONS.</p>
37.	Is EUR 400.000 a limit for a grant that can be obtained by one or by both beneficiaries together?	<p>As clearly stated within Section 1.3.4 (Size of EU IPA grants) of the Guidelines for Applicants, "<i>The minimum and maximum amount refers to the value of each grant (not the sum of two grants)</i>".</p>



This project is
co-funded
by the EU

www.srb-bih.org
www.evropa.gov.rs
www.dei.gov.ba



38.	Are there any rules about the bank accounts used for the project?	<p>Please refer to art. 16.1 of the <i>"General Conditions applicable to European Union-financed grant contracts for external actions"</i> included as Annex II (Documents for information) of the Application Package, which reads:</p> <p><i>"Accounts and expenditure relating to the Action must be easily identifiable and verifiable. This can be done by using separate accounts for the Action concerned or by ensuring that expenditure for the Action concerned can be easily identified and traced to and within the Beneficiary's accounting and bookkeeping systems. Accounts must provide details of interest accruing on funds paid by the Contracting Authority."</i></p> <p>Whenever a separate bank account specifically for the action cannot be opened, a subaccount reference within an organisation's main bank account should be used.</p> <p>If neither a new bank account nor a sub-account can be opened, the applicant must justify why this cannot be done, and provide clear indications as to how it intends to maintain a segregation of the funds from the point of reception through disbursement, and accurately calculate and notify any accrued interest.</p>
39.	What does the sentence <i>"Applicants' budgets should reflect the proportion of the Programme allocations to the beneficiary countries"</i> mean? In which way the budgets should be "balanced"?	<p>In general the budget should reflect the activities proposed within the project, be reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency; reflecting the proportion of the Programme allocations is not an eliminatory requirement for this Call.</p> <p>However, given the difference in size of the global financial envelope for applicants under each country allocation, the Contracting Authorities would like to encourage applicants to prepare their applications in such a way that, whenever possible and justifiable, common activities are predominantly supported through the grant sought by the Serbian applicant.</p>

Evaluation steps and process

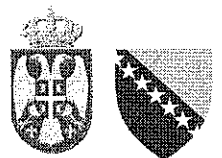


This project is
co-funded
by the EU

www.srb-bih.org
www.evropa.gov.rs
www.dei.gov.ba



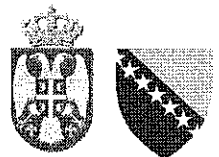
40.	Is the financial capacity of an applicant important in the selection of projects?	Yes, it is. Please refer to section 2.3. (Evaluation and selection of applicants), subsection (3) Step 3: EVALUATION OF FULL APPLICATIONS of the Guidelines for Applicants: the note on section 1 of the Evaluation Grid clearly indicates that if the total average score of the evaluation of the financial and operational capacity is lower than 12 points, the application will be rejected.
41.	If the Lead Functional Partner has experience in implementation of EU funded projects and is a very successful organization with a satisfactory turnover, while the Applicant 2 is not so experienced and was established not so long ago, how the project proposal in this case would be scored and would it be eliminated?	The financial and operational capacity of both applicants and their partner(s) will be evaluated as indicated in the Evaluation Grid within Section 2.3. (Evaluation and selection of applicants), subsection STEP 3: EVALUATION OF FULL APPLICATIONS of the Guidelines for Applicants. If the total average score is less than 12 points under this section, the application will be rejected.
42.	Is an NGO that has no previous experience in the implementation of the EU funded projects (it has been established a year ago) and that does not have a significant annual turnover, going to be automatically disqualified from the evaluation process, or it still has chances to obtain a grant?	During the evaluation process, the financial and operation capacity of the applicants (and not of their employees) will be evaluated based on criteria described under Section 2.3. (Evaluation and selection of applications), subsection (3) STEP 3: EVALUATION OF FULL APPLICATIONS of the Guidelines for Applicants.
43.	Can an organization that has no previous experience in implementation of the EU funded projects apply in this call, if a project manager who would work on the project is very experienced in managing the EU funded projects?	Please refer to answer to question 42 above.
44.	Is a project proposal going to be rejected if the reference numbers that are assigned to every version of the Excel application form do not match in all documents?	According to Section 2.2.2.2 (How to Apply) of the Guidelines for Applicants, "The electronic version must contain exactly the same application as the paper version enclosed". The matching reference numbers shall help the applicants to ensure that this requirement is fulfilled. However in case of any discrepancy, the paper version will prevail.



45.	Where are the CCI scored (in which stage of evaluation and in which part of the evaluation table)?	The way and degree cross-cutting issues are integrated or mainstreamed in the project proposal is assessed during the evaluation of full application, under the Section 2. Relevance (Subsection 2.4.) of the Evaluation grid. Please see also Section 2.3. (EVALUATION AND SELECTION OF APPLICATIONS), subsection Step 3: Evaluation of Full Application Form of the Guidelines for Applicants.
-----	---	---

How to apply and procedures to follow

46.	Does an organization/institution have to be registered in PADOR for this Call?	No, prior registration in PADOR for applicants and their partners for this Call for Proposals is not obligatory. Please refer to Section 2.2. (How To Apply And The Procedures To Follow) of the Guidelines for Applicants.
47.	If an Applicant is already registered in PADOR, does he have to update his registration for this Call?	No, it does not have to. However, when applying in PADOR for a EuropeAid ID, applicants undertake to maintain their file regularly updated. Please also refer to answer to question n.46 above.
48.	When the project proposals are sent to the JTS, does the Serbian applicant send one copy of the project and the BiH applicant sends his copy of the project?	Each application will be submitted as a joint proposal formulated by two applicants acting in partnership, one applying for funds from the Contracting Authority in Bosnia and Herzegovina and one applying for funds from the Contracting Authority in Serbia. Application must be submitted in (1) original and (2) copies. All three pieces, one original and two copies must be submitted together in a single outer envelope. Please refer to the Section 2.2 (How to apply and the procedures to follow) of the Guidelines for Applicants.
49.	Since an identical version of the application form that is submitted to the JTS has to be on a CD, does the version on a CD have to contain all signatures and stamps?	No, it does not have to: signatures and stamps in the electronic version are not required.

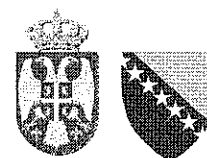


Procurement Issues

50.	Is there any limit to the procurement that may be included in the project?	Yes, actions which envisage to contract more than 85% of total eligible costs to procure services, works and supplies will be considered ineligible. Please refer to Section 2.1.4.6. (Ineligible Actions).
51.	Which documentation concerning works in the project has to be submitted within the project proposal?	Please refer to Section 2.2.1.3. (Additional supporting documents required). Proposals involving the execution of works shall provide the additional documents required at the bullet points n.5 to 9. Please note that if the requested documents are not supplied in the form of originals, photocopies or scanned versions must show legible stamps, signatures and dates. Furthermore, if the above-mentioned documents are not provided before the submission deadline indicated in section 2.2.3 of the Guidelines of Applicants, the application may be rejected.

VAT exemption

52.	Is there any VAT exemption certificate based on IPA-BiH Councils of Ministers agreement?	An "Instruction on claiming the customs duties and taxation payment exemption" was issued in the Official Gazette of Bosnia and Herzegovina No. 74/11, based on the <i>Framework Agreement between Bosnia and Herzegovina and the Commission of the European Communities on the rules for cooperation to implement EC financial assistance to BiH under the Instrument for Pre-Accession Assistance (IPA)</i> , Please note that the procedure for tax exemption differs from country to country – this implies that the two Applicants receiving funding from a different Delegation might have to follow different procedures. The Contracting Authorities shall provide detailed information directly to the applicants that will sign grant contracts.
-----	---	---



53.	In the JTS presentation we read that the VAT is eligible if it is established that they are borne by the final beneficiary, what does it mean and can you give an example?	<p>This is the basic rule for the eligibility of all costs. The final beneficiary is the entity that signs the contract with the Contracting Authority (along with the partners designated in the application): all costs must be borne by the final beneficiary (or its partners).</p> <p>Detailed information regarding the eligibility of VAT can be found under Section 2.1.5.1.1 (Value Added Taxes).</p>
54.	Which amount is subject to VAT exemption: the whole amount stated in the invoice? Please clarify the limits of 200 BAM, 200 EUR and 2.500 EUR that you talked about at the info-session, what these sums refer to?	<p>For further information please consult Section 2.1.5.1.1. (Value Added Taxes -VAT) of the Guidelines for Applicants</p>
55.	How are hotel expenses, per-diems, consultants' fees etc. VAT exempted?	<p>Please refer to the Section 2.1.5.1 (Eligible direct costs) and Section 2.1.5.1.1 (Value Added Taxes).</p>

Reporting

56.	Does each of the two Beneficiaries send the reports to the respective EUD, or these reports are joint?	<p>Reporting obligations for the beneficiaries of this Call for Proposals are contained in:</p> <ul style="list-style-type: none">- art. 2 of the of the <i>"General Conditions applicable to European Union-financed grant contracts for external actions"</i> included as Annex II (Documents for information) of the Application Package;- artt. 7.1.1 and 7.1.2 of the <i>"Special Conditions"</i> for the Standard Grant Contract, included as Annex D (Documents for Information) of the Application Package. <p>Obligations to prepare and compile reports may vary according to the phase of implementation the report refers to. However, each grant beneficiary will retain the obligation to submit those reports to the respective Contracting Authority with copy to the Joint Technical Secretariat of the programme</p>
-----	---	---



Other

57.	Does the news on the withdrawal of IPA funds in Bosnia and Herzegovina affect this Programme?	It does not refer to this Programme.
-----	--	--------------------------------------



This project is
co-funded
by the EU

www.srb-bih.org
www.evropa.gov.rs
www.dei.gov.ba

