

**The Ministry of Finance****The Directorate for Finance and Contracting of the EU Assistance Funds (CFCU)****Contracting Authority's Clarifications*****Transfer of knowledge between sectors of higher education, research and industry*****Minutes of the Information Session held on 09 June 2015 and 24 June 2015****Reference: EuropeAid/136938/ID/ACT/ME**

Following two info session held on 09th June and 24th June 2015, below are presented the answers on questions raised by the participants. Also, the table contains the answers on questions received on the functional e-mail address cfcu@mif.gov.me.

Q1	Regarding size of grants, the question was related to why any grant requested under this Call for proposals must fall between €3.000 (minimum amount) and €25.000 (maximum amounts) and according to which criteria it was defined.
A1	Minimum and maximum amount of any grant under this Call for Proposals was specified according to indicators which were defined in Operational Programme "Human Resources Development 2012-2013" during the programming phase. The abovementioned minimum and maximum values of grant were defined in programming phase in order to achieve the indicators defined in Operational Programme.
Q2	Why one entity can apply only once as an applicant and only once as a co-applicant?
A2	The main reason for that is to optimize the resources mobilized in each application and to avoid the concentration of the grants within a limited number of applicants. In addition, refer to the Corrigendum No.2.
Q3	Regarding criteria about eligibility of applicants defined in Guidelines for grant applicants (GfA), are public enterprises eligible to apply? According to the GfA, SMEs are eligible applicants but it is not clear whether they can be public or private enterprises.
A3	Please note that, to be eligible, an applicant has to fulfill all eligibility criteria as defined in section 2.1.1 of the GfA:

'In order to be eligible for a grant, the applicant must:

- be a private or public legal person and
- be established in a Member State of the European Union or other eligible state stipulated in the basic act (Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)) and
- be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary and
- belong to one of the following categories and fulfil the related conditions:

1. Scientific research institution:

- i. be licensed by the Ministry of Science of Montenegro (in accordance with Art 28 of the Law on Scientific-research activities - Official Gazette of Montenegro 80/10) and
- ii. In the case of an institution established in an eligible country other than Montenegro, it must be registered in Montenegro as branch/office and must be licensed by the Ministry of Science of Montenegro;

2. Micro and Small-Medium Sized Enterprise (MSME):

- i. be a MSME, defined as follows
 - a. Medium sized enterprise - fewer than 250 employees (annual turnover up to 50.000.000,00 EUR and/or an annual balance sheet total up to 43.000.000,00 EUR);
 - b. Small sized enterprise – fewer than 50 employees (annual turnover and/or an annual balance sheet total up to 10.000.000,00 EUR);
 - c. Micro sized enterprise – fewer than 10 employees (annual turnover and/or an annual balance sheet total up to 2.000.000,00 EUR).
- ii. have been operating for two years before the deadline of submission;
- iii. in the case of an institution established in an eligible country other than Montenegro, it must be registered in Montenegro as branch/office

3. Higher education institutions

4. Civil society organisations, such as non-governmental organisations (NGOs)

5. Social partners, such as employers' associations, employees' associations and trade unions

6. Science and Technology Parks, Centres of Excellence'	
Q4	Are public enterprises eligible to apply?
A4	Refer to the answer A3
Q5	What is the maximum number of partners on the project?
A5	<p>In the GfA, the term 'partners' is not used.</p> <p>However, regarding to 'co-applicants' the section 2.1.1 of the GfA provides that: "At least one eligible entity from the category 1 and one eligible entity from the category 2 must be involved as applicant OR co-applicant in this Call for Proposals". That is to say that there is no maximum number of co-applicants defined.</p> <p>Regarding to 'affiliated entity(ies)' section 2.1.2 of the GfA provides that: 'The applicant and its co-applicant(s) may act with affiliated entity(ies)'. That is to say that there is no maximum number of affiliated entities defined.</p>
Q6	What if the project is above 25.000 EUR?
A6	<p>According to the section 1.3 of the GfA, the grant requested under this CfP has to be between EUR 3.000 and EUR 25.000. This means that the value of 25.000 EUR is the maximum contribution of the Contracting Authority to the Project.</p> <p>The maximum grant of 25.000 EUR means that the total cost of the Project would have to be equal or superior to 27.777,77 EUR (as it is provided in the GfA that a minimum of 10% contribution from the applicant is necessary).</p>
Q7	How old the company has to be in order to apply? Are there any limitation regarding existence of the company? Are young companies encouraged to apply?
A7	Section 2.1.1 of the GfA defines that MSMEs must have been operating for two years before the deadline of submission of the application. However, for the other eligible types of applicants, the abovementioned criterion is not defined.
Q8	Are the companies which are run by women entrepreneurs encouraged to apply for this Grant?
A8	<p>Any company fulfilling the criteria defined under section 2.1.1 of the GfA is eligible.</p> <p>The promotion of gender equality and equal opportunities within the scope of the action will be addressed in <u>the evaluation process of the proposal</u>; see grid under section 2.3.</p>
Q9	Are Micro and Small –Medium Sized Enterprises which have a turnover of less than 2 million EUR encouraged to apply for the Grant?
A9	According to the section 2.1.1 of the GfA, the requirement is the following: 'micro sized enterprise- fewer than 10 employees (annual turnover and/or an annual balance sheet total up to 2.000.000,00 EUR)'
Q10	What is considered to be a dual-transfer of knowledge?

A10	<p>Term ‘dual-transfer of knowledge’ is not used in the GfA. However, one of the specific objectives of this CfP, as defined in Section 1.2 of the GfA, is “improvement of knowledge transfer between academic and industry sector, in both directions”.</p> <p>This can be understood as a process in which two entities (“applicant” and “co-applicant”) are mutually affected by transferring their knowledge (and experience) to another, in themes such as (but not limited to): best practices, routine activities, organizational issues, management modes, etc.</p>
Q11	Are the companies encouraged to transfer its knowledge and technology to a scientific research Institutions?
A11	<p>The objective of this CfP is to bridge the spheres of the research/education with the industry sector. As explained under answer A10, it is considered that transferring of knowledge is a process that can go in both directions.</p> <p>However, within the Action, the applicant and the co-applicant(s) have the sole responsibility to decide what they share and transfer and consequently to prepare the relevant application for submission.</p>
Q12	Are companies and/or scientific research Institutions allowed to use the Grant to purchase licensed software and/or work on its development and implementation? Is the supply of licensed software and/or work on its development eligible cost?
A12	Refer to the section 2.1.5 (Eligibility of costs) in GfA and Corrigendum No.1 published by the Contracting Authority.
Q13	Are public companies, which are registered as a Limited Liability Companies (DOO), but the majority ownership is Public and/or State eligible to apply?
A13	Refer to the answer A3.
Q14a	Are companies with specific legal status which are not LLC (DOO) but are in the State and/or Public ownership eligible to apply? These are the companies with specific legal status established by local self-government. Can these companies be included under the category of the Micro and Small –Medium Sized Enterprises?
A14a	Regarding the legal status of an applicant, please refer to answer A3.
Q14b	How will the eligibility be checked?
A14b	Bear in mind that eligibility check will be performed after the evaluation of the full proposals for those proposals which have been provisionally selected. Eligibility will be checked on the basis of the supporting documents requested by the Contracting Authority and the signed ‘Declaration by the Applicant’ sent together with the application.
Q15	What are the criteria for “innovative businesses”? What is considered by this.
A15	<p>The term ‘innovative businesses’ is not used in the GfA.</p> <p>However, as ‘innovative’ are considered activities related to the development and putting in practice new or improved technologies, products, services and processes. Innovation can be focused on: products, processes, organization models,</p>

	innovations in marketing etc.
Q16	Is the study visit eligible cost?
A16	Refer to the section 2.1.4 of the GfA, where it can be seen that 'study visits' are not excluded as eligible costs. However, please note that the same section presupposes that ' <i>actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses</i> ' as well as 'actions concerned only or mainly with individual scholarships for studies or training courses' are not eligible.
Q17	Does the GfA define additional scoring for involvement of private sector in the project?
A17	Additional scoring for the involvement private sector in the project is not foreseen in the GfA.
Q18	Is it planned to organise second call for proposal and what would happen in case of unused funds left?
A18	The question is not relevant for this Call for Proposals.
Q19	Are the Units of University of Montenegro (meaning its faculties), eligible to apply separately for grants, bearing in mind that only the University of Montenegro as such has legal status?
A19	Refer to the Corrigendum No.2 which withdraws this limitation with certain conditions.
Q20	In how many copies the documentation must be submitted?
A20	According to the Section 2.2.2 of the GfA, applications must be submitted in one original and 3 copies in A4 size, each bound.
Q21	Which are eligible activities which may be financed under this call?
A21	Refer to the section 2.1.4 of the GfA for a list of eligible activities which might be financed under this Call.
Q22	Does the project partner submit the same documents as the leader?
A22	According to section 2.4 of the GfA, <i>applicants</i> whose application has been pre-selected, will be invited by the Contracting Authority to submit supporting documents- Legal Entity Sheet (annex D), accompanied by the justifying documents requested there, and Financial Identification form (Annex E). With regard to <i>co-applicant(s)</i> , the document to be submitted is the Legal Entity Sheet (annex D), accompanied by the justifying documents requested there. Moreover, section 3, 4 and 5 of the Application Form provide information on the documents to be completed and submitted at the time of submission of the Application Form.
Q23	Are the project activities exempted the payment value added tax?
A23	Refer to the Annex J - Information on the Tax Regime Applicable to Grant

	<p>Contracts Signed under EuropeAID.</p> <p>Furthermore, section 2.1.5 in the GfA provides that ‘In accordance with the Art 152.2 of the Commission Regulation No. 718/2007 implementing Council regulation No. 1085/2006 establishing an Instrument for Pre-accession Assistance (IPA) and its amendment, the following costs are also eligible:</p> <ul style="list-style-type: none"> – taxes, including value added taxes, if they are not recoverable by any means and it is established that they are borne by the final beneficiary; – operating costs, including rental costs, exclusively related to the period of co-financing of the operation; – rent or leasing, provided that it is exclusively related to the period of co-financing of the operation, and that it is preferable to other solutions in terms of the best value for money.’
Q24	Are the costs for multimedia activities and publishing of journals eligible for financing?
A24	Refer to the section 2.1.5 in the GfA - Eligibility of costs, and article 14 of the Annex II (General Conditions).
Q25	Are the costs for infrastructure eligible for financing?
A25	<p>Refer to the section 2.1.5 in GfA – Ineligible costs</p> <p>The following costs are not eligible:</p> <ul style="list-style-type: none"> – debts and debt service charges (interest); – provisions for losses or potential future liabilities; – costs declared by the Beneficiary(ies) and financed by another action or work programme receiving a Union (including through EDF) grant; – <i>purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred to the final beneficiaries and/or local Beneficiary(ies), at the latest at the end of the action;</i> – currency exchange losses; – credit to third parties; – customs and import duties, or any other charges; – fines, financial penalties and expenses of litigation; – second-hand equipment; – bank charges, costs of guarantees and similar charges; – conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial

	<p>expenses;</p> <p>– contributions in kind</p>
Q26	Can the project start earlier than what is predicted in the GfA?
A26	Timetable provided in the GfA is only an indicative one, the exact date when the project starts can vary from the date provided in an indicative timetable subject to the dynamics of tendering procedure.
Q27	Are the costs for design of studies and strategies eligible for financing?
A27	Refer to the section 2.1.5 in GfA - Eligibility of costs, and article 14 of Annex II (General Conditions).
Q28	Does the public institution which is the base of some faculty can apply as leader?
A28	Refer to the section 2.1.1 in the GfA-Eligibility of applicants.
Q29	Can the leader apply with project which is related to development of new products, their geographical identification and environmental protection?
A29	In accordance to the Section 2.2.4 of the GfA, to ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of applicants, affiliated entity(ies), an action or specific activities. Please refer to section 2.1.4 for activities that might be eligible under this CfP. The design of a proposal is applicant's task. The validity and relevance of the proposed activities for this CfP are to be demonstrated by an applicant in the proposal itself, and are to be checked during the evaluation stage.
Q30	If the activities related to innovation of technological process are eligible, can increase of the capacities of already existing technological process be financed?
A30	Refer to the answer A29.
Q31	Related to the Annexes D and E, are the abovementioned annexes obligatory only for leader or for leader and partner also.
A31	Bear in mind that in the GfA, the "leader" and 'partners' are not used. Refer to the answer A22.
Q32	In which language, the project documentation must be submitted?
A32	Refer to the 2.2.1 section in GfA-Application forms 'Applicants must apply in English'.
Q33	Is the activity improvement of software eligible for financing?

A33	Refer to the answer A29.
Q34a	Are the costs of translation related to the organizing some event eligible for financing?
A34a	Refer to the section 2.1.5 (Eligibility of costs) in GfA and article 14 of the Annex II (General Conditions).
Q34b	Are the costs of translation related to the submission of application eligible for financing?
A34b	Bear in mind that costs incurred before the Contract enters into force are not eligible and will not be reimbursed.
Q35	What forms of knowledge transfer are eligible for financing?
A35	Refer to the answer A10, bearing in mind that specific forms of knowledge transfer are not strictly defined in the GfA. However, the design of a proposal is applicant's task. The validity and relevance of the proposed activities for this CfP are to be demonstrated by an applicant in the proposal itself, and are to be checked during the evaluation stage.
Q36	Are costs of consumables necessary for the implementation of the project acceptable costs?
A36	Refer to the answer A12.

The questions and answers sent e-mail address cfcu@mif.gov.me:

Q37	Can the University of Montenegro, as a legal person, submit more than one application?
A37	Refer to the Corrigendum No.2 which withdraws this limitation with certain conditions.
Q38	Is it possible to apply with the knowledge innovation training - for small and medium-sized enterprises?
A38	Please refer to the answer A29.
Q39	Is the Historical Institute eligible to apply?
A39	Please refer to answer A3.
Q40	How can we understand 'improvement and/or innovation of the existing technological processes, products and/or services', as it is one of the actions which are eligible for financing.
A40	Refer to the answer A15.
Q41a	Where is published Grant Application Form?
A41a	The entire application package is published on: <ul style="list-style-type: none"> • http://www.mif.gov.me/rubrike/CFCU_tenderi/Tenderi/Otvoreni • https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome&userlanguage=en • http://www.delme.ec.europa.eu/code/navigate.php?Id=1626

Q41b	How to write the Concept Note and is there the form to fill in and where is it included?
A41b	For instructions on how the requested documents must be prepared refer to the GfA and Annex A-Grant Application form of the application package. Also, refer to the answer A41a.
Q42	Regarding this Call, is it possible to buy any kind of machine (tool) intended for the development of the prototype of a product i.e machine for the development of the first prototype that will lately enter into the production process?
A42	Refer to the section 2.1.5 (Eligibility of costs) in GfA and Corrigendum No.1 published by the Contracting Authority.