



1st Set of the Contracting Authority's Clarifications

1th Call for Proposals for the Cross-Border Cooperation Programme Montenegro-Albania for years 2022 and 2025, Reference: EuropeAid/184545/ID/ACT/MULTI

The answers on questions raised by the potential grant applicants during the Information Sessions held in: Podgorica and Bar (2nd and 3rd October)

Also, the table contains the answers to questions received to the e-mail address [cfpmne.alb@mif.gov.me](mailto:cfpme.alb@mif.gov.me) until 10th October, 15:00h.

Q1	<p>I have a question regarding the eligibility of coordinators and co-applicants for the IPA III CBC Montenegro-Albania call.</p> <p>On page 10 of the guide, it states that, among other things, the applicant must be a non-profit organization. Further in the document, on page 11, in the bolded section it says:</p> <p>"These public institutions must comply with the eligible type of organisations stated above and may encompass ministries, national agencies, agencies for local and/or regional development, and other administrative units. Such administrative units for the purpose of these guidelines of applicants include those we call counties, municipalities, and other units of local administration, as well as all public enterprises."</p> <p>The [REDACTED] falls under "public enterprise" but according to our statute, we are not defined as a non-profit organization.</p> <p>Does this mean that we can only apply as a co-applicant?</p>
A1	<p>Primarily, according to the article 2.2.4. of the Guidelines for grant applicants <i>"To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities."</i></p> <p>However, the Section 2.1.1 of the Guidelines for Applicants it is specified that <i>"In order to be eligible for a grant, the lead applicant must be a legal person and be non-profit making, and..."</i></p> <p>According the Section 2.1.1 mentioned above, both lead applicant and co-applicants must full-fill the same eligibility criteria, including the requirement to be non- profit making.</p> <p>Regarding the application as co-applicant, under the same section, for Thematic priority 5, business enterprises and other organizations involved in education are listed among the eligible types of organizations.</p> <p>Furthermore, under the Section 2.1.3 Eligible actions: actions for which an application may be made states:</p>

	<p>“The following types of action are ineligible:</p> <p>...</p> <ul style="list-style-type: none"> • <i>actions concerned only or mainly with commercial and profit – making activities¹⁹”.</i> <p>¹⁹ <i>In case the project generates revenue, it shall be used to finance the operation, together with the other sources of funding. Revenue of an operation means cash in-flows directly paid by users for the goods and services provided by the operation, such as charges borne directly by users for the use of infrastructure, sale or rent of land or buildings, or payment for services incurred during the period of implementation of the operation.</i></p>
Q2	<p>Are works considered eligible under the Call for Proposals in question?</p>
A2	<p>According to the article 2.2.4. of the Guidelines for grant applicants <i>“To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities.”</i></p> <p>However, guidelines for applicants do not establish any restriction to the implementation of works under a grant contract, please bear in mind that according to the section 2.2.5 Submission of supporting documents the applicants are obliged to submit the following:</p> <p><i>“5. Please bear in mind when an operation contains the execution of works, the following supporting documents, submitted along with the full application form, will be necessary:</i></p> <ul style="list-style-type: none"> <i>a. Proof of ownership or long-term lease (at least for 10 years after the signature of the contract) of the land/assets where the works are to be executed;</i> <i>b. A positive decision on environmental impact assessment or otherwise a statement from the relevant public authority(ies) that the latter assessment(s) are/is not needed for the specific project activities;</i> <p><i>6. Furthermore, when an operation contains the execution of works, the following supporting documents shall be submitted before the contract signature:</i></p> <ul style="list-style-type: none"> <i>a. All necessary legal authorisations (e.g.: location and construction permits).</i> <i>b. Approved/certified detailed work design or otherwise a statement by the relevant national institution(s) confirming that the national legislation(s) do/does not require the design’s approval for this type of works;</i> <i>c. An indicative priced bill of quantities drawn not earlier than 2 years prior to the deadline for submission of full applications – calculated in euro.”</i> <p>Also, please note that according to section 2.1.4 Eligible actions: actions for which an</p>

	<p>application may be made, actions that are considered ineligible are, among others, <i>“actions containing preparatory studies or the preparation of preliminary design for works to be carried out as part of the operation”</i></p>
Q3	<p>Dear Sir/Madam, we are a non-governmental organization registered in the municipality of Nikšić, Montenegro, and we are interested in participating in the First Call for Project Proposals IPA III CBC Montenegro – Albania 2021–2027, https://www.cbc-mne-alb.org/1st-call-proposals-ipa-iii/</p> <p>We kindly request official information regarding:</p> <ol style="list-style-type: none"> 1. The maximum percentage of EU co-financing that can be granted to non-governmental organizations (NGOs) under this call. 2. The eligibility of NGOs from the municipality of Nikšić to apply, considering that Nikšić is not explicitly listed among the municipalities in the program area.
A3	<p>In accordance with Section 1.3 of the Guidelines for Grant Applicants – <i>Financial allocation provided by the Contracting Authority: “Any grant requested under this call for proposals must fall between the following minimum and maximum percentages of total eligible costs of the action:</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> <i>Minimum percentage: 50% of the total eligible costs of the action.</i> <input type="checkbox"/> <i>Maximum percentage: 85% of the total eligible costs of the action (see also Section 2.1.4.).”</i> <p>Regarding the eligibility of applicants, in accordance with article 2.2.4. of the Guidelines for grant applicants <i>“To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities.”</i></p> <p>However, according to Section 2.1.1 of the Guidelines for applicants - Eligibility of applicants (i.e. lead applicant, co-applicant(s) and affiliated entities) - Lead applicant</p> <p><i>“(1) In order to be eligible for a grant, the lead applicant must:</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> <i>be a legal person, and</i> <input type="checkbox"/> <i>be non-profit-making, and</i> <input type="checkbox"/> <i>be effectively established in⁵ either Montenegro or Albania, and...”</i> <p>Additionally, as stated in the Section 2.1.1. Eligibility of applicants (i.e. lead applicant, co-applicant(s) and affiliated entities) - Co-applicant(s)– <i>“Co-applicants must satisfy the eligibility criteria as applicable to the lead applicant himself”</i></p>

⁵ To be determined on the basis of the organisation's statutes, which should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. The effective establishment of applicants should be proved not only with the statutes but with the registration certificate. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a 'Memorandum of Understanding' has been concluded

⁹In line with the cross-border nature of the programme, please note that the nationality of the lead applicant (either Beneficiary X or Y) automatically determines the nationality of at least one co-applicant (Beneficiary Y if the lead applicant is effectively established in Beneficiary X or Beneficiary X if the lead applicant is effectively established in Beneficiary Y).

Dear staff of the Contracting Authority,

Q4 **Regarding the 1st Call for Proposals of the IPA CBC programme MNE-ALB 2021-27, and as a staff member of the [REDACTED] intending to apply under this call, I have a question related to the number of applications allowed, as follows:**

1. If an entity participates as a co-applicant in 2 applications, is this entity allowed to apply as a lead partner and if yes, in how many applications?

According to Section 2.1.3 of the Guidelines for applicants - *Eligible actions: actions for which an application may be made - Number of applications and grants per applicant/affiliated entity:*

"The lead applicant may not submit more than 2 application(s) under this call for proposals.²¹

The lead applicant may not be awarded more than 1 grant under this call for proposals.

The lead applicant may be a co-applicant or an affiliated entity in 1 application at the same time under this call for proposals.

A co-applicant/affiliated entity may not be the co-applicant or affiliated entity in more than 2 application(s) under this call for proposals.

A4 *A co-applicant/affiliated entity may not be awarded more than 1 grant under this call for proposals.*

Please note that in the event of failure to fulfil these requirements, the applications of all concerned entities will be rejected."

²¹ *In case that one legal entity is placed on both preliminary lists for financing, in such cases the award criteria to be used will be higher score of the project proposal, regardless of the ranking position on the particular preliminary list for financing.*

Q5	<p>I would like to seek clarifications regarding the call for proposals Cross-border Cooperation programme Montenegro - Albania 2021-2027 - EuropeAid/184545/ID/ACT/Multi</p> <p>According to the criteria for applicant in the guideline, entities to be eligible must " be effectively established in either Montenegro or Albania". Given that this project is funded by the Instrument for pre-accession III - Global Europe Regulation provides a list of eligible countries including EU member states and European Economic Area.</p> <p>Would you please confirm that it is indeed the case?</p> <p>Thank you very much for your answer.</p>
A5	<p>According to the article 2.2.4. of the Guidelines for grant applicants <i>"To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities."</i></p> <p>Additionally, please see A3.</p>
Q6	<p>Dear Sir/Madam, we are reaching out regarding the verification of participation criteria for the recently published IPA CG-ALB call. Our name, the [REDACTED] is an innovative non-profit institution with extensive experience in implementing projects funded by EU funds (especially InterReg, Erasmus, etc.). However, since institutions in the field of innovation and research (which are not universities) are not recognized by the call, we are interested in whether, based on the following aspects from the list of allowed types of organizations, we are still eligible to participate in this call: page 11 of the Guidelines: Priority 5: Tourism and cultural and natural heritage - Bureaus for education and vocational education centres, Footnote: Whether the ones which are licensed providers of practical VET education or as partnering institutions involved in school/out-of-school activities and school projects.</p> <p>[REDACTED] is not a licensed VET institution, but we have a whole set of trainings that we organized within the Erasmus+ project for youth:</p> <ol style="list-style-type: none"> 1. Empowering mental health and well-being of youth in digital work and learning environments - BeWell@DIGITAL (2022, 2023) 2. Supporting Female Youth from BiH and MNE in entrepreneurship, employment, and leadership in ICT – FY4ICT (2017, 2019) 3. Enhancing Montenegrin and Serbian Entrepreneurship and Tourism – eMEETS (2018, 2019) And currently, we are part of the MONTEDIH project, the first EDIH in Montenegro under the Digital Europe program, where we provide a full set of training to small and medium-sized enterprises and public institutions https://montedih.me/
A6	<p>According to the article 2.2.4. of the Guidelines for grant applicants <i>"To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead</i></p>

	<p><i>applicants, co-applicants, affiliated entity(ies), an action or specific activities.</i>”</p> <p>According to Section 2.1.1 Eligibility of applicants (i.e. lead applicant, co-applicant(s) and affiliated entities) of the Guidelines for applicants:</p> <ul style="list-style-type: none"> • Bureaus for education and vocational education centres⁶ <p>However, please note that <i>“after the evaluation of the full applications, an eligibility check will be performed for those which have been provisionally selected (including those placed on the reserve list). Eligibility will be checked on the basis of the supporting documents requested by the contracting authority and the signed ‘declaration by the lead applicant’ sent together with the full application.”</i></p> <p>⁶ <i>Whether the ones which are licensed providers of practical VET education or as partnering institutions involved in school/out-of-school activities and school projects.</i></p>
Q7	<p>Is the VAT acceptable?</p>
A7	<p>According to the sub article 7.1.3 of the special conditions (application package-documents for information) <i>“VAT/ taxes, duties and charges are not eligible activities as described in Annex I”.</i></p>
Q8	<p>Are investments in private properties used during the project considered eligible?</p>
A8	<p>According to the article 2.2.4. of the Guidelines for grant applicants <i>“To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities.”</i></p> <p>Additionally, under the Section 2.1.3. Eligible actions: actions for which an application may be made of Guidelines for applicants it is stated:</p> <p><i>“The following types of action are ineligible:</i></p> <p><i>... actions concerned only or mainly at the upgrading of infrastructure and equipment in privately owned facilities;”</i></p>
Q9	<p>I am writing to you on behalf [REDACTED], a non-profit organization with more than 10 years of experience operating at the national level in Albania. While carefully reviewing the Guidelines for the ongoing IPA CBC Albania – Montenegro Call, we would kindly ask for your clarification regarding two specific points:</p> <p>1. Eligibility of consortium composition</p> <p>Could you please clarify the eligibility rules in a situation where a consortium is composed of:</p>

A. one central public institution (e.g., at national level), and

B. one non-profit organization operating at national level in Albania (such as ours),

but where neither of the partners has a legally registered office specifically located within the Programme eligible area.

Would such a consortium still be considered eligible, or is it mandatory that at least one partner has a legal entity/registered office within the cross-border Programme area?

2. Financial and operational requirements for partners:

We would also appreciate clarification on whether the Guidelines set any minimum or maximum thresholds related to an organization's annual turnover or financial capacity in order to participate in a consortium.

Furthermore, are there any requirements concerning the minimum number of years of operation of a non-profit organization to be considered eligible as a project partner or lead partner?

We thank you in advance for your guidance on these matters and look forward to your kind reply.

According to the article 2.2.4. of the Guidelines for grant applicants *"To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities."*

According to Section 2.1.1 of the Guidelines for applicants - Eligibility of applicants (i.e. lead applicant, co-applicant(s) and affiliated entities) - Lead applicant

"(1) In order to be eligible for a grant, the lead applicant must:

be a legal person, and

be non-profit-making, and

A9 *be effectively established in⁵ either Montenegro or Albania, and..."*

and, in accordance with Section 2.1.1 of the Guidelines for applicants - Eligibility of applicants (i.e. lead applicant, co-applicant(s) and affiliated entities) - Co-applicant(s):

"The applicant must act with at least one co-applicant as specified hereafter.

If the applicant is established in Montenegro, at least one co-applicant must be established in Albania and vice versa"

Regarding the financial and operational capacity, guidelines for applicants do not prescribe specific minimum turnover or years of operation requirements; however, as stated under the Section 2.3 of the Guidelines for applicants – *Evaluation and selection of applications* - applicants must demonstrate sufficient financial and operational capacity to implement the

	<p>proposed action effectively.</p> <p>Additionally, as stated in the Section 2.1.1. Eligibility of applicants (i.e. lead applicant, co-applicant(s) and affiliated entities) - Co-applicant(s)– “Co-applicants must satisfy the eligibility criteria as applicable to the lead applicant himself”</p> <p>⁹<i>In line with the cross-border nature of the programme, please note that the nationality of the lead applicant (either Beneficiary X or Y) automatically determines the nationality of at least one co-applicant (Beneficiary Y if the lead applicant is effectively established in Beneficiary X or Beneficiary X if the lead applicant is effectively established in Beneficiary Y).⁵ To be determined on the basis of the organisation’s statutes, which should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. The effective establishment of applicants should be proved not only with the statutes but with the registration certificate. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a ‘Memorandum of Understanding’ has been concluded.</i></p>
Q10	Is IPA considered as state aid that is being secured for the institution?
A10	No, guidelines for grant applicants do not recognize the funds allocated under this call and consequently awarded grants as a state aid.
Q11	How many projects will be contracted?
A11	<p>No exact number of projects can be determined at this stage.</p> <p>Please refer to Section 1.3. Financial allocation provided by the Contracting Authority of the Guidelines or applicants: <i>“The applications will compete for the financial resources available within each thematic priority/specific objective separately (TP2 and TP5). Please note that the terms ‘thematic priority/specific objective’ are interchangeable.”</i></p> <p>Furthermore, please refer to Section 2.3. Evaluation and selection of applications (STEP 2: opening & administrative checks and evaluation of the full application) of the Guidelines or applicants: <i>“After the evaluation, a table will be drawn up listing the applications ranked according to their score. The highest scoring applications will be provisionally selected until the available budget for this call for proposals is reached. In addition, a reserve list will be drawn up following the same criteria. This list will be used if more funds become available during the validity period of the reserve list.”</i></p>
Q12	Is engagement of new staff within the institutions possible?
A12	<p>In accordance with the Section 2.3.2. Step 2: Opening & administrative checks:</p> <p><i>“The selection criteria help to evaluate the applicant(s)'s and affiliated entity(ies)'s operational capacity and the lead applicant's financial capacity and are used to verify that they:</i></p> <p><input type="checkbox"/> <i>have stable and sufficient sources of finance to maintain their activity throughout the</i></p>

	<p><i>proposed action and, where appropriate, to participate in its funding (this only applies to lead applicants);</i></p> <p><input type="checkbox"/> <i>have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. This applies to applicants and any affiliated entity(ies) ”</i></p> <p>While it is permissible to engage new staff within the institutions in cases where the organization lacks specific expertise or capacity, the preferred approach is to rely on in-house personnel. The engagement of new staff within the institution should be structured in a way that integrates them into the organizational framework to support long-term capacity building.</p> <p>The project budget and staffing must reflect the organization’s capability to carry out the project efficiently and effectively, which includes having qualified employees or staff within the institution whenever possible.</p>
Q13	Please explain the dynamic of the payment of pre-financing?
A13	<p>According to the General Conditions applicable to grant contracts, pre-financing is possible and stipulated in the contract to provide the beneficiary with initial working capital to begin project activities.</p> <p>The contract itself serves as the legal document that triggers the payment procedure. Once the contract is signed by all parties, it initiates the process for pre-financing and subsequent payments as specified in the financial provisions of the contract.</p> <p>Therefore, the signed contract is the legal basis on which the Contracting authority processes and disburses pre-financing, following the terms agreed in the contract.</p> <p>Dynamic of payment is explained under Article 15 — Payment and interest on late payment, General conditions applicable to grant contracts (application package-documents for information).</p>
Q14	Shall the budget be presented in net amount?
A14	<p>All budget lines must be presented in net amounts, excluding VAT.</p> <p>Also, please see A7.</p>
Q15	How are the payments of the tranches during the projects executed?
A15	<p>Please refer to Article 15 of General Conditions – Payment and interest on late payment 15.1.</p> <p><u>“...Option 2: Actions with an implementation period of more than 12 months and grant of more than EUR 100 000</u></p> <p><i>(i) an initial pre-financing payment of 100 % of the part of the estimated budget financed by the contracting authority for the first reporting period (excluding contingencies). The part of the</i></p>

budget financed by the contracting authority is calculated by applying the percentage set out in Article 3.2 of the special conditions;

(ii) further pre-financing payments of 100 % of the part of the estimated budget financed by the contracting authority for the following reporting period (excluding not authorised contingencies):

- the reporting period is intended as a twelve-month period unless otherwise provided for in the special conditions. When the remaining period to the end of the action is up to 18 months, the reporting period shall cover it entirely;

- within 60 days following the end of the reporting period, the coordinator shall present an interim report or, if unable to do so, it shall inform the contracting authority of the reasons and provide a summary of progress of the action;

- if at the end of the reporting period the part of the expenditure actually incurred which is financed by the contracting authority is less than 70 % of the previous payment (and 100 % of any previous payments), the further pre-financing payment shall be reduced by the amount corresponding to the difference between the 70 % of the previous pre financing payment and the part of the expenditure actually incurred which is financed by the contracting authority;

-the coordinator may submit a request for further pre-financing payment before the end of the reporting period, when the part of the expenditure actually incurred which is financed by the contracting authority is more than 70 % of the previous payment (and 100 % of any previous payments). In this case, the following reporting period starts anew from the end date of the period covered by this payment request;

-in addition, for grants of more than EUR 5 000 000, a further pre financing payment may be made only if the part financed by the contracting authority of the eligible costs approved is at least equal to the total amount of all the previous payments excluding the last one;

-the total sum of pre-financing payments may not exceed 90 % of the amount referred to in Article 3.2 of the special conditions, excluding not authorised contingencies;

(iii) the balance of the final amount of the grant.

Option 3: All actions

(i) the final amount of the grant."