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**MINISTRY OF FINANCE**

**Directorate for Finance and Contracting of the EU Assistance Funds**

**(CFCU)**

**Contracting Authority's Clarifications**

**1st Call for Proposals for the Cross-Border Cooperation Programme Montenegro-Kosovo\* for years 2014 and 2015, Reference: EuropeAid/138-710/ID/ACT/MULTI**

**The answers on questions raised by the potential grant applicants during the Information Sessions held in: Podgorica and Bijelo Polje (20th and 21st March 2017) and Djakovica/Gjakovë and Peć/Pejë (22nd and 23rd March 2017)**

**Also, the table contains the answers to questions received on the functional e-mail address** [**cfpmne.kos@mif.gov.me**](mailto:cfpmne.kos@mif.gov.me) **until 4th April, 15:00h.**

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| Q1 | Do the same eligibility criteria for applicants (lead-applicant and co-applicant(s)) apply for the associates? |
| A1 | Please refer to section 2.1.3 of the Guidelines for Grant Applicants („Associates and Contractors“), stating the following:  „The associates do not have to meet the eligibility criteria referred to in section 2.1.1.”. |
| Q2 | Is registration in PADOR required? |
| A2 | Please refer to section 2.2 of the Guidelines for Grant Applicants (“How to apply and the procedures to follow”) of the Guidelines for Grant Applicants, stating the following:  “Information in PADOR will not be drawn upon in the present Call”. |
| Q3 | Do Concept Notes need to be submitted only to Montenegro? |
| A3 | Please refer to section 2.2.2 of the Guidelines for Grant Applicants („Where and how to send concept notes“), stating the address of the Ministry of Finance in Montenegro where the concept notes has to be sent.  For this Cross-Border Cooperation Programme Montenegro - Kosovo, the Contracting Authority is the Ministry of Finance - Directorate for Financing and Contracting of the EU Assistance Funds (CFCU) which is located in Montenegro. The Concept Notes must be submitted only to the Contracting Authority. |
| Q4 | In which phase are co-applicants in obligation to submit statements? |
| A4 | Please refer to part B section 4 of the Grant Application Form (“The Co-applicants), where the mandate for co-applicants is provided. This mandate has to be filled in and signed for the purpose of submission of the full application in those cases when the concept note is pre-selected for step 2. |
| Q5 | Do co-applicants need to submit the same supporting documentation for the purpose of the “eligibility check” as the lead-applicants? |
| A5 | Please refer to the section 2.4 of the Guidelines for Grant Applicants (“ Submission of supporting documents for provisionally selected applications”), stating the following:  “A lead applicant whose application has been provisionally selected or placed on the reserve list will be informed in writing by the Contracting Authority. It will be requested to supply the following documents in order to allow the Contracting Authority to verify the eligibility of the lead applicant, (if any) of the co-applicant(s) and (if any)of their affiliated entity(ies)”. |
| Q6 | What is the percentage of co-financing under this Call for Proposals? |
| A6 | The percentage of co-financing under this Call for Proposals is stated in the Section 1.3 of the Guidelines for Grant Applicants (“Financial allocation provided by the Contracting Authority”), sub-section “Size of Grants” and is as follows:   * Minimum co-financing percentage: 15%, * Maximum co-financing percentage: 50%. |
| Q7 | Is it necessary to submit only one budget for the action or separate budgets for each grant actor should be submitted? |
| A7 | The applicants whose applications are provisionally selected must submit one joint budget (Annex B in the Application package) for the action together with the Full Application. In addition, please refer to the Section 2.1.4. of the Guidelines for Grant Applicants (“Eligible actions: actions for which an application may be made”), stating that:  “The action must involve cross-border cooperation in order to be eligible, i.e. it shall foresee cooperation of the cross-border lead applicant and its co-applicants in the development and implementation of the action:   * Joint development: applicants and co-applicants cooperate in designing the 5 action, filling in a joint Grant Application Form and drawing up the respective budget.”   “In addition, they shall cooperate in either the staffing or the financing of the action or both.   * Joint financing: activities are financed by both applicants’ and co-applicants.” |
| Q8 | Is sub-granting allowed? |
| A8 | Please refer to section 2.1.4. of the Guidelines for Grant Applicants („Eligible Actions: actions for which an application may be made“), sub-section „Financial support to third parties“, stating the following:  “Applicants may not propose financial support to third parties. In other words, sub-granting is not allowed under this call for proposals”. |
| Q9 | Can an organization/institution from Nikšić apply for this Call for Proposals? |
| A9 | Actions must have as final beneficiaries the population of the programme area and their activities must take place in this area.  Also refer to section 2.1.1 (“Eligibility of applicants (i.e. lead applicant and co-applicant(s)”) stating the following:  "In order to be eligible for a grant, the lead applicant must:   * be established in Montenegro and/or Kosovo;…" |
| Q10 | Would you be kind to give us a precise answer? Is a Faculty, which will be a part of one Private University in the forthcoming period, eligible for grant under this Call for Proposals? |
| A10 | Please refer to the Section 2.2.4 of the Guidelines for Grant Applicants („Further information about concept notes”), stating the following:  “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), or an action.”  Please note that, to be eligible, an applicant has to fulfil all eligibility criteria as defined in the Section 2.1.1 of the Guidelines for Grant Applicants. |
| Q11 | What rules prevail if there are different law principles between Montenegro and Kosovo? For example, the law principles in Kosovo do not stipulate the obligation for provision of expenditure verification report (audit report) in case the incurred costs are below 50,000.00 EUR? |
| A11 | Please refer to section 2.1.5. of the Guidelines for Grant Applicants („Eligibility of costs: costs that can be included“), sub-section „eligible direct costs“, stating the following:  „Applicants are reminded that in contracts where the EU grant exceeds EUR 100,000.00 they must include in the budget the cost of an audit or expenditure verification carried out by an independent auditor before submitting the final financial report of the operation. All grant contract requiring such an audit or expenditure verification will have the Annex G.VII referred in the list of annexes“. |
| Q12 | Are municipalities and governmental institutions eligible applicants under this Call for Proposals? |
| A12 | Please refer to Section 2.2.4 of the Guidelines for Grant Applicants („Further information about concept notes”), stating the following:  “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), or an action.”  Please note that, to be eligible, an applicant has to fulfil all eligibility criteria as defined in the Section 2.1.1 of the Guidelines for Grant Applicants. |
| Q13 | What does „balanced representation“ mean? For example, in case of having two partners from Montenegro and two partners from Kosovo, but only one affiliated entity from Montenegro or Kosovo\*, would this be considered as a „balanced representation“? |
| A13 | Please refer to the section 2.1.1. of the Guidelines for Grant Applicants („Eligibility of applicants (i.e. lead applicant and co-applicant(s))“), stating the following:  „Each action must involve at least two beneficiaries out of which one must be established in Montenegro and one in Kosovo\*. The total number of beneficiaries must not exceed six (6), ensuring a balanced representations of beneficiaries from both countries“.  „If awarded the grant contract, the lead applicant will become the beneficiary identified as the Coordinator in Annex E3h1 (Special Conditions). The Coordinator is the main interlocutor of the Contracting Authority. It represents and acts on behalf of any other co-beneficiary (if any) and coordinate the design and implementation of the action.“  Furthermore, please refer to the section 2.1.2. of the Guidelines for Grant Applicants („Affiliated entities“), stating the following:  „If the applicants are awarded a grant contract, their affiliated entity(ies) will not become beneficiary(ies) of the action and signatory(ies) of the grant contract“. |
| Q14 | Are international organizations eligible applicants under this Call for Proposals? |
| A14 | Please refer to the Section 2.2.4 of the Guidelines for Grant Applicants („Further information about concept notes”), stating the following:  “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), or an action.”  Please note that, to be eligible, an applicant has to fulfil all eligibility criteria as defined in the Section 2.1.1 of the Guidelines for Grant Applicants. |
| Q15 | After the pre-selection of applicants in the Concept Note phase, could you clarify whether the Information Sessions will also be organized for the Full Applications stage or not? |
| A15 | No additional information sessions will be organized.  Please refer to section 2.2.8. of the Guidelines for Grant Applicants, stating the following:  „Questions may be sent by e-mail [or by fax] no later than 21 days before the deadline for the submission of full applications to the addresses listed below, indicating clearly the reference of the call for proposals:  E-mail address: cfpmne.kos@mif.gov.me  Fax: + 382 (0) 20 230 643“.  Moreover, please refer to section 2.2.7. of the Guidelines for Grant Applicants, stating the following:  „The deadline for the submission of full applications will be indicated in the letter sent to the lead applicants whose application has been pre-selected“. |
| Q16 | Is the limited liability company, non-profit as per its statute, eligible applicant under this Call for Proposals? |
| A16 | Please refer to the Section 2.2.4 of the Guidelines for Grant Applicants („Further information about concept notes”), stating the following:  “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), or an action.”  Please note that, to be eligible, an applicant has to fulfil all eligibility criteria as defined in the Section 2.1.1 of the Guidelines for Grant Applicants. |
| Q17 | Does the rule of origin apply for products supplied in accordance with a grant contract amounting less than 100,000.00 EUR? |
| A17 | Please refer to the Annex G IV of the Application package (“Procurement by grant Beneficiaries in the context of European Union external actions”), section 2.2 “the rule of origin”, stating the following:  “Where rules of origin need to be respected and the unit cost on purchase is above € 5.000, contractors must present proof of origin to the Beneficiary(ies) at the latest when the first invoice is presented.”  Further on, please refer to footnote 2 of Annex G IV of the Application Package where it is stated that "… supplies may originate from any country if the amount of the supplies to be procured is below 100.000 EUR per purchase" |
| Q18 | What is the minimum number of points to be achieved in the Concept Note phase in order to be pre-selected for the Full Applications phase? |
| A18 | Please refer to Section 2.3 of the Guidelines for Grant Applicants (subsection “Step 1: opening & administrative checks and concept note evaluation”) , stating the following:  "Only the concept notes with a score of at least 30 will be considered for pre-selection." |
| Q19 | Is it a possible to include in Concept Note stage, through the corrigendum, request for submission of mandate for co-applicant? |
| A19 | Please refer to section 2.1.1. ("Eligibility of applicants (i.e. lead applicant and co-applicant(s))“ of the Guidelines for Grant Applicants, stating the following:  „Co-applicants must sign the mandate in Part B section 4 of the grant application form.“ This document needs to be submitted in Full application. |
| Q20 | Can for example having two potential beneficiaries from Kosovo, and one potential beneficiary from Montenegro be considered as balanced representation of beneficiaries from both countries? |
| A20 | Please refer to the section 2.1.1. of the Guidelines for Grant Applicants ( „Eligibility of applicants (i.e. lead applicant and co-applicant(s))“) of the Guidelines for Grant Applicants, stating the following:  „Each action must involve at least two beneficiaries out of which one must be established in Montenegro and one in Kosovo. The total number of beneficiaries must not exceed six (6), ensuring a balanced representation of beneficiaries from both countries“.  „If awarded the grant contract, the lead applicant will become the beneficiary identified as the Coordinator in Annex E3h1 (Special Conditions). The Coordinator is the main interlocutor of the Contracting Authority. It represents and acts on behalf of any other co-beneficiary (if any) and coordinate the design and implementation of the action.“  Furthermore, please refer to the section 2.1.2. of the Guidelines for Grant Applicants („Affiliated entities“), stating the following:  „If the applicants are awarded a grant contract, their affiliated entity(ies) will not become beneficiary(ies) of the action and signatory(ies) of the grant contract“. |
| Q21 | How many applications may be awarded to lead applicant under this call for proposals? |
| A21 | Please refer to section 2.1.4 of the Guidelines for Grant Applicants („ Number of applications and grants per applicants / affiliated entities“), stating the following:  “The lead applicant may not be awarded more than 1 grant under this call for proposals.” |
| Q22 | Is it possible to submit applications online? |
| A22 | Please refer to section 2.2.2 of the Guidelines for Grant Applicants (“Where and how to send concept notes), stating the following:  “Concept notes must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) to the address below:  Postal address:  The Ministry of Finance  The Directorate for Finance and Contracting of the EU Assistance Funds (CFCU)  Stanka Dragojevića 2,  81000 Podgorica, Montenegro  Address for hand delivery or by private courier service:  The Ministry of Finance  The Directorate for Finance and Contracting of the EU Assistance Funds (CFCU)  Stanka Dragojevića 2, room 4,  81000 Podgorica” |
| Q23 | Is it a possible to include sustainability of the project in Concept Note? |
| A23 | Please refer to the Grant Application Form, part A “Concept Note” where the template indicates the required information to be provided by the applicants in the concept note. |
| Q24 | Pursuant to section 2.1.1. of the guidelines for grant applicants, we have noted that in order to be considered eligible for funding (as lead applicant or co-applicant) the candidate has to be established by an instrument governed by the national law in Montenegro and/or in Kosovo. The Regional Environmental Center for Central and Eastern Europe Kosovo has been established on 19 July 2000 and it has been registered under Law No. 03/L-134 of Kosovo, section 9 On Freedom of Association in Non-Governmental Organisations. Could you please confirm whether our organization is eligible to apply for funding as lead applicant or as co-applicant within this call? |
| A24 | Please refer to the Section 2.2.4 of the Guidelines for Grant Applicants („Further information about concept notes”), stating the following:  “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), or an action.”  Please note that, to be eligible, an applicant has to fulfil all eligibility criteria as defined in the Section 2.1.1 of the Guidelines for Grant Applicants. |
| Q25 | Could you provide us with information whether an organization established in the EU member state (Czech Republic), with locally registered branch office in Kosovo, can apply under this call? Does it have to have a local Board of Directors and local Statute, or it is enough to have this at the HQ level in the state of origin? |
| A25 | Please refer to the Section 2.2.4 of the Guidelines for Grant Applicants („Further information about concept notes”), stating the following:  “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), or an action.”  Please note that, to be eligible, an applicant has to fulfil all eligibility criteria as defined in the Section 2.1.1 of the Guidelines for Grant Applicants. |
| Q26 | Can the costs for transport and accommodation of auditors be planned in the budget since the beneficiaries are from different countries? |
| A26 | Please refer to the Section 1.8 of Annex G VII to the Guidelines for Applicants ("Expenditure verification report – Terms of Reference"), stating the following :  "The Coordinator may want to agree a fixed fee for the engagement or otherwise. The Coordinator and the Auditor may want to agree specific terms if the Auditor needs to extend the verification coverage from 65 % to 85 %. The Coordinator should specify any reimbursable expenses and allowances (e.g. travelling, other) agreed with the Auditor and whether VAT and/or other relevant taxes are included in the fees/expenses." |
| Q27 | Can NGO institutions enter in own contribution part of the budget (15%) the money they don’t already have as an institution, in hope that they will get this money from the games of chance funds, or some other contributions? |
| A27 | The Contracting Authority does not have insight into the financial balance of the potential beneficiaries nor their sources of funding at the moment when applications are submitted. However, potential beneficiaries must bear in mind that financial capacity of the potential beneficiaries is one of the selection criteria used in the evaluation of full applications (section 1.3.). Additionally, in case they are awarded a grant, beneficiaries must provide their co-financing portion as stated in the budget. |
| Q28 | In case of travel by the companies car, can the calculation which is used for the use of their private cars (0.25\*km\*fuel price) be used instead of real fuel costs per number of km.? |
| A28 | Please refer to the Section 14.2 of Annex G II to the Guidelines for Applicants (" General Conditions to the grant contract, subsection „Eligible direct costs”), stating the following regarding eligible direct costs:  ,,… b) travel and subsistence costs for staff and other persons taking part in the Action, provided they do not exceed those normally borne by the Beneficiary(ies) according to its rules and regulations, or the rates published by the European Commission at the time of such mission if reimbursed on the basis of simplified cost options…. ’’ |
| Q29 | Are bank provisions costs eligible regarding the transfer of budgeted money to project partners? |
| A29 | Please refer to art. 14.2 g) of the Annex G II to the Guidelines for Applicants (" General Conditions to the grant contract, subsection „Eligible Direct Costs”) stating the following regarding eligible direct costs:  ‘’Costs deriving directly from the requirements of the Contract (dissemination of information, evaluation specific to the Action, audits, translation, reproduction, insurance, etc.) including financial service costs (in particular the cost of transfers and financial guarantees where required according to the contract); …’’ |
| Q30 | Can experts be from applicant or co applicant institution if they are not engaged on the project? |
| A30 | Please refer to the Section 2.1.5 of the Guidelines for Grant Applicants („Eligibility of costs: costs that can be included ”), stating the following as ineligible:  "- consultant fees between the beneficiaries for services or work carried out within the project;  - remuneration of any kind for staff of any of the beneficiaries being hired as external experts or freelance consultants;" |
| Q31 | Is engaging an external expert/consultant for project administration purposes an eligible cost for the project? |
| A31 | Please refer to art. 14.2 f) of the Annex G II to the Guidelines for Applicants ("General Conditions to the grant contract, subsection „Eligible Direct Costs”) stating the following regarding eligible direct costs:  "… costs of service, supply and work contracts awarded by the Beneficiary(ies) for the purposes of the Action…." |