ALBANIA - MONTENEGRO
IPA Cross Border Cooperation Programme

Cross-border Programme

Albania-Montenegro 2007-2013

IPA 2010-2011 Annual Allocations

3rd Call for Proposals
EuropeAid/133455/M/ACT/Multi

Questions and Answers

Q1: How will the activity costs be split during project implementation, between partners?

A1: Eligible costs are those incurred by the beneficiaries and their partners, in accordance with Section 2.1.4 "Eligibility of costs: costs which may be taken into consideration for the grant" of the Guidelines for Applicants (GfA) for this call for proposals. The distribution of costs between the grant beneficiaries and their partners constitutes an internal arrangement of their partnership, and depends on the nature of the action and the activities carried out by each beneficiary/partner therein.

Q2: Why is VAT not considered as eligible cost?

A2: Value added taxes (VAT) can be considered an eligible cost when the conditions indicated in Section 2.1.4 of the GfA are fulfilled. Please note that, according to Art. 26.2 of the "Framework Agreement between the Government of the Republic of Albania and the European Commission on the rules for cooperation concerning EC-financial assistance to the Republic of Albania in the framework of the implementation of the assistance under the Instrument for Pre-Accession Assistance (IPA)" concluded on 18 October 2007, EU-funded contracts are not subject to VAT in Albania. In this regard, EU grant beneficiaries are "entitled to obtain VAT refund directly from the tax authorities upon submission of a written request accompanied by the necessary documentation required under the national/local law for refund and by a certified copy of the underlying EC contract".

Q3: Based on the experience and information you have, did anyone (NGO or Institution) succeeded on the VAT reimbursement procedure? What is AL OS doing to solve this problem?

A3: Please refer to the answer to Question no. 2 above. For further information on the policy of the Government of Albania in this regard, you may address your queries directly to the Albanian Operating Structure of the CBC Programme Albania-Montenegro, i.e. Ministry of Integration.

Q4: Is it obligatory the cooperation of a NGO, acting as Lead Applicant, with public institutions?

A4: As indicated in Section 2.1.2 "Partnerships and eligibility of partners" of the GfA, "If the applicant for funds in Albania or Montenegro is a non-governmental institution, he must have at least one partner being a national/regional/local government authority/institution".

Q5: Why such criteria are obligatory?

A5: The Joint Monitoring Committee (JMC) of the CBC Programme Albania-Montenegro 2007-2013, as decision making authority, is responsible for considering and approving the criteria for selecting the operations financed under this Programme. The JMC approved the inclusion of this criterion in the GfA of the 3rd call for proposals of this Programme in order to strengthen the cooperation and partnership among stakeholders, to facilitate joint efforts aimed at capacity building, and to ensure greater ownership and sustainability of project results in the Programme area.

Q6: Are social insurance costs eligible and where can we include them?

A6: As indicated in Section 2.1.4 of the GfA, "The cost of staff assigned to the action, corresponding to actual salaries plus social security charges and other remuneration-related costs" can be considered eligible costs. Therefore, salaries under budget line "Human Resources" shall be expressed as gross salaries.

Q7: What are contingency reserve funds and how can they be used?

A7: Contingency reserve makes reference to funds that can be used only in unpredictable cases during the implementation of the action. No justification is requested when included in the budget of the project proposal, in a maximum of 5% of direct eligible costs. However, as indicated in Section 2.1.4 of the GfA, it can only be used during the duration of the project with the prior written authorisation of the Contracting Authority.

Q8: Is it possible to make a short presentation on successful and non successful application in order to understand better common mistakes and evaluation process?

A8: The Operating Structures for the CBC Programme Albania-Montenegro, in cooperation with the Joint Technical Secretariat and the EU Delegations to Albania and to Montenegro, organised a series of information sessions in different locations within the eligible area (i.e. Shkodra, Kukes, Podgorica, Ulcinj and Berane) during September/October 2012, following the launch of the 3rd call for proposals. The dates of the information sessions were published on the websites of the Operating Structures, as well as on the website of the CBC Programme Albania-Montenegro. These presentations covered, amongst others, the issues raised in your question.

Q9: Can we contact JTS office for any further clarification and question that we might have during project preparation?

A9: Yes, but only until 21 days before the deadline for submission of project proposals, based on Section 2.2.5 "Further information to applicants" of the GfA.

Q10: Why the allocated funds are not equal for the both states?

A10: The financial allocations for the years 2010 and 2011 were determined by the Decision of the European Commission C(2010)5312, of 28 July 2010. These financial allocations have been fixed based on a number of factors identified in the CBC Programme Albania-Montenegro 2007-2013, including the current situation and analysis of the programming area (e.g. population size, economic development), as well as the absorption capacity of local stakeholders.

Q11: Is it allowed to initially sign digitally all the documents before the official signature of contract award?

A11: According to Section 2.2.1 "Application form" of the GfA, "Applicants must verify that the project proposal is complete on the basis of the checklist which is part of the application form (worksheet "V Checklist") and that the signatures and official stamps, where required, are well visible and recognizable on both the original and the copies. Incomplete applications may be rejected". Therefore, you will have to make sure that the two original applications to be submitted need to be signed and stamped in accordance with this section.

Q12: A question about the 15% co-financing. How can these funds be provided?

A12: One principle for EU-funded grants in the framework of external actions is that the grant beneficiary has to co-finance part of the cost of the action. The idea behind the co-financing principle is to make beneficiaries responsible for the operational and financial viability of their projects, which they continue to "own" and which they undertake to carry out in a proper manner, making sure that these projects are not financed entirely out of EU funds and asking them to obtain additional financing from other sources. The rule is clear and provides that up to 85% will be covered by the EU contribution and will be allocated for the project financing. The remaining 15% are co-financing funds, to be borne by the beneficiary of the grant. If the co-financing percentage is not respected, the application will not be considered eligible for project financing and it will be rejected (see Section 1.3 "Financial allocation provided by the Contracting Authority" of the GfA).

Q13: If a project includes civil construction works, additional documents should be provided in the moment of submission of the application package. Providing of these documents, such as the environment license or the construction license does not depend on the (FSHZH) Albanian Development Fund, but are issued from institutions such as (QKL) National Center of License, or the County Council. With all the willingness of the FSHZH to provide these documents, we may foresee that they can't be provided on time, because of the time needed for their issuance. In this kind of situation, can these documents be provided after the submission of the application package, in case this does not affect the evaluation process?

A13: According to Section 2.2.2 "Submission of supporting documents" of the GfA, applicants whose application involves the execution of works must submit the listed work documentation together with the application within the deadline for submission of proposals. Failure to submit these supporting documents will lead to considering the application as incomplete, and the latter may be rejected.

Q14: The question refers to the applicants: on the page 31 of the Guidelines for grant applicants there is (in the frame, last sentence) stated, that if the applicant for funds is NGO, he must have a partner being government authority/institution. Does this means that on the side of Montenegro and also on Albanian side, on each side, there must be one public authority acting as applicant or at least partner? In our case there would be a municipality acting as an applicant in Montenegro and NGO acting as an applicant in Albania. Must Albanian NGO also have a partner that is public Authority or this is not necessary?

A14: Please see answer to question no. 4 and Section 2.1.2 of the GfA. Based on this Section, there needs to be a public authority as applicant/partner on each side of the border. Therefore, in the case you mentioned, since the Albanian applicant is a non-governmental organisation, it will need to have one public authority as partner for the action on the Albanian side of the border.

Q15: Is it eligible for one applicant to apply twice (two project proposals) for the same measure of this call or the applicant can apply max three times (each project proposal for each measure)?

A15: The rules concerning the number of applications and grants per applicant under this call for proposals are clearly defined in Section 2.1.3 "Eligible actions: actions for which an application may be made" of the GfA. According to these rules, you may submit as many applications as you wish under this call. However, the applicant cannot be awarded more than two grants under this call, limited to maximum one per measure.

Q16: Can the organization at the same time be an applicant in one project and partner (from Montenegro side) in another project in the same Call?

A16: Yes. Please refer to Section 2.1.3 of the GfA.

Q17: Regarding the completion of the Excel Application form, is it only the Project Manager's CV that should be provided, or the CVs of the entire Managing Board?

A17: As indicated in Section 2.2.1 of the GfA, the applicants must attach to the application form the CVs of the project managers to be recruited by the applicants. The CV format must be the Euro pass English standard CV. Therefore, only the CV of the project manager should be provided.

Q18: A technical question regarding the Application form: Project partners are not being automatically copied in the budget format. They have to be put in manually!

A18: Partners are not included in the budget template, since only the applicants have to sign the budget of the action on behalf of all partners.

Q19: What happens if the 5% Contingency costs remain unused?

A19: According to Art. 17 of the General Conditions applicable to EU-financed grant contracts (Annex II of grant contract), if the total costs of the project at the end of the action are less than the estimated total eligible costs as referred in the Special Conditions of the contract, the amount of the Contracting Authority's contribution shall be limited to the amount obtained by applying the percentage laid down in the Special Conditions to the total eligible costs of the action approved by the Contracting Authority. Consequently, if the contingency costs are unused, this will in practice decrease the total eligible costs of the action, thus decreasing proportionally the EU contribution as well as the co-financing of the applicant, in accordance with the percentage laid down in the grant contract.

Q20: If Montenegrin staff of the joint project comes in Albania, then how can these be recorded in the budget? Abroad activity?

A20: Yes.

Q21: How should be recorded in the budget payment of project staff, per person in Euro / day of work?

A21: According to Section 2.1.4 of the GfA, the cost of staff assigned to the action (under budget line "Human resources") must correspond to actual salaries plus social security charges and other remuneration-related costs. These salaries and costs must not exceed those normally borne by the beneficiaries or their partners. Salaries should be considered on a monthly basis. If staff is not working full time on the action, the percentage of dedication to the project should be reflected in the budget (see footnote no. 4 of the template of the budget for the action).

Q22: Can our organization have as a partner UNDP (international organization)?

A22: According to Section 2.1.1 of the GfA, international intergovernmental organisations are eligible under this call both as applicants and as partners. UNDP would fall under this category, therefore it can be considered an eligible partner for the action.

Q23: How should the application form be properly completed when the Qarku has no incomes? Where should be shown the amount? How should be properly completed the form in terms of revenues realized in the past?

A23: According to Section 2.2.2 of GfA, the obligation to submit a copy of the latest accounts (the statement of profit and loss and balance sheet for the previous financial year) does not apply to public institutions or international organisations. Therefore, if according to national legislation the Qarku is a public body, there is no obligation to submit its latest accounts.

Q24: The schools do not have the opportunity to maintain balance sheet or have a balance of expenditures, since everything and benefits shall be transferred to the municipality.

A24: Please see answer to question no. 23.

Q25: How can be proved, that the school as a public institution is a legal entity?

A25: According to the Albanian legislation, public schools are part of the Regional Directory of Education and do not have a separate legal identification number (i.e. NIPT). Consequently, public schools fail to meet one of the eligibility criteria for applicants according to Section 2.1.1 of the GfA (i.e. obligation to be a legal person). Only the relevant Regional Directorate of Education may apply on behalf of public schools.

Q26: Can we apply if we are registered as a school less than 12 month?

A26: Please see answer to question no. 25. In addition, please note that, according to Section 2.1.1 of the GfA, applicants have to be registered or accredited at least twelve months before the launch of this call for proposals. Therefore, if the school has a separate legal entity but has been registered in Albania or Montenegro less than twelve months before the launch of the call, it is not eligible as applicant.

Q27: Travel costs in the budget include only staff or also the activities?

A27: The budget line "Travel costs" should include all costs related to transport related to the implementation of the project activities.

Q28: What is the meaning of the Rule of origin?

A28: According to the basic act applicable to the IPA CBC Programme Albania-Montenegro, all tenderers, supplies and materials purchased within the action must originate from the EU Member States, European Neighbourhood and Partnership Instrument (ENPI) Partner Countries, Instrument for Pre-Accession Assistance (IPA) and European Economic Area (EEA) countries.

Q29: I am referring to you because when we add till 9 activities in section n. 1.7, the section 1.8 - Methodology - disappears. Can you suggest us what we should do? Is it moving to another section?

A29: As indicated in the Grant Application Form, the description of the proposed activities under Section 1.7 "Description of the action and its effectiveness" is limited to a maximum of 9 pages. The application form is designed in a way that each activity is described in a separate page. Consequently, applicants can describe up to 9 activities. This space limit must be respected by all applicants, in order to ensure the principle of equal treatment. Whereas the initial application form did not allow to display correctly up to 9 activities, a revised version of the application form was published as a corrigendum on 29 October 2012.