

EU RESILIENCE BUILDING ETHIOPIA (RESET) Programme**RESET Plus - Building Resilience to Impacts of El Niño through Integrated Complementary Actions to the EU Resilience Building Programme in Ethiopia****Innovation Fund****CLARIFICATIONS nr 2
to the guidelines for applicants**

In addition to the answers to the questions that were raised during the information sessions and the clarifications already published on 18/10/2018, please find below the answers to additional written questions sent to by the 19/10/2018:

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The written responses provided in the table should be considered the final official answers to each question.

	Questions	Answers
33)	Is it possible to get the power-point presentation or any other document that was shared by the EU Delegation during the information session held in September?	It has been published on the EU delegation to Ethiopia website on 18/10/2018
34)	In case of development of a full proposal should the applicant and co-applicant submit an action covering all 41 woredas targeted or not? If not, should the total amount of eligible cost be proportionally reduced?	The action should cover the target 42 woredas and also neighbouring areas if duly justified as mentioned in the guidelines for applicants section 2.1.4 (location). But this does not mean that each individual innovation/research project funded by the Financial support will have to cover all the woredas.
35)	The role of the applicant and co-applicants is that of "Grant Manager/s" supervising sub-grantees or can they also play a role in implementing the activities?	Please refer to the list of indicative activities financed under this grant in section 2.1.4 of the Guidelines for applicants (Type of activity) for the Applicants. In any case the Lead Applicant and co/applicant cannot benefit from the Financial Support to third parties (see also answer to question 6) in the first set of Clarifications posted on 18/10/2018 on the EU delegation to Ethiopia Website. They cannot be innovators or researchers.

36)	<ul style="list-style-type: none"> • Two international NGOs members of the same family can participate with the role of applicant or co-applicant in the same call for proposal? • Or alternatively, if an international NGOs obtains the grant can then select as sub-grantee a member of the same family? 	<ul style="list-style-type: none"> • Please refer to the Guidelines for Applicants, in particular the section 2.1.1 related to eligibility of the lead applicants. • In any case the Applicant and co/applicant(s) cannot benefit from the Financial Support to third parties. This is also the case for all their affiliate entities as the intention is to support "third parties" to the grant contract. (see also answer to question 6 in the first set of Clarifications posted on 18/10/2018 on the EU delegation to Ethiopia Website). • Note that the PRAG in its section 6.9.2 related to Financial support to third parties mention a series of conditions to be strictly defined in the grant contract to avoid the exercise of discretion by the Coordinator in giving the financial support. The Applicant in its proposal should therefore make sure that the process proposed to award the financial support to third parties is described in a way it scrupulously avoids any discretionary power of the Fund manager and any conflict of interest in granting Financial support.)
37)	Can you share the link of the website where Q&A are listed?	<p>See the Guidelines for Applicants p 20 under section 2.2.4 further information.</p> <p>The Corrigendum's and Clarifications - Q&A has already been posted on the EU delegation to Ethiopia website on the 18/10/2018.</p>
38)	<p>Further to a recent enquiry from my colleagues, the Delegation shared with them the PRAG references on non-profit rules – see attached copy received. The rules do show there is a possibility for private sectors to make profit under EU actions. However the guidelines for Reset Plus specifically (guidelines for this call) state that private sectors cannot make profit as co-applicants and under the Innovation Fund.</p> <p>Could you let us know which rule takes relevance from the other?</p>	<p>The extract of the PRAG attached to this specific question was the last version of August 2018. Since the call of proposal was launched before the new Financial Regulation entered into force the 2016 version of the PRAG is applicable.</p> <p>For clarifications of the "Non-profit rules", please see the answer to question number 14) and 15) in the first set of Clarifications posted on 18/10/2018 on the EU delegation to Ethiopia Website.</p>

39)	In the guidelines page 13, private sectors are eligible to receive funding through the Innovation Fund in Component 1. Can private sectors apply as lead applicants, or that they can only apply with non-profit institutions as the lead?	Please refer to the Guidelines for Applicants, in particular the section 2.1.1 related to eligibility of the lead applicants.
40)	We would also like to understand if it is acceptable for activities financed by the funds to make profit after the action finishes.	Please refer to the answer to question 15) in the first set of Clarifications and to the Corrigendum to the guidelines for applicants posted on 18/10/2018 on the EU delegation to Ethiopia Website
41)	The standard contract templates being referred to in the call documents state that you may request us to provide a bank guarantee unless the applicant is a non-profit organization. Thus our understanding is that, as a non-profit organization, a bank guarantee is not required, but could you please confirm this understanding is correct? If our understanding is not correct and a bank guarantee is required despite our legal status, could you please confirm that the costs to obtain the bank guarantee can be included in our proposal budget?	<p>The art. 15.8 of the general conditions states that <i>"If the grant exceeds EUR 60 000 the Contracting Authority may request a financial guarantee for the amount of the pre-financial payment"</i> However it is also mentioned that <i>"This provision shall not apply if the Coordinator is a non-profit organisation, an organisation which has signed a framework partnership agreement with the European commission, a government department or public body, unless otherwise stipulated in the Special Conditions"</i></p> <p>So it is confirmed that a bank guarantee will not be required from non-profit organisations.</p>
42)	During the information session, it was mentioned that you will be making revisions to the Guidelines for Applicants. When will the revisions be posted?	This is done, a Corrigendum to the guidelines for applicants has already been posted on the EU delegation to Ethiopia Website on 18/10/2018
43)	During the information session, it was mentioned that several annexes were missing from the application package. When will the missing annexes be posted?	This is done, the missing annexes have been uploaded on the EU delegation to Ethiopia Website on 18/10/2018
44)	Indirect costs : In the guideline, it is indicated that a maximum of 7% indirect costs of the estimated total eligible direct costs is allowed. We would like to get your clarification on whether the total eligible direct costs include the amount for the financial support to third parties.	Yes, the maximum rate of 7% for indirect cost is calculated based on the total estimated direct eligible costs.
45)	Our second question is in relation to the budget format. Do we put the amount for the financial support to third parties under section "6. Other"?	Yes