

Contracting Authority: European Commission

Civil Society Organisations and Local Authorities (CSO-LA)
European Instrument for Democracy and Human Rights (EIDHR)

Open Call for Proposals
Reference: EuropeAid/154793/DD/ACT/BY

Questions and Answers

DISCLAIMER

This document is intended as useful information for applicants. The replies included in this document cannot and do not replace or overrule the information contained in the Guidelines for grant applicants that are published for this call for proposals. They also do not substitute the provisions in the Practical Guide (Procurement And Grants for European Union external actions – A Practical Guide). In case of discrepancy, the Guidelines for grant applicants are the only legally binding document

IMPORTANT NOTICE

As stipulated in Section 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

Questions received during the Information meeting 4 May 2017 (Minsk, IBB center)

1) Question: Can co-applicant be at the same time in the same lot co-applicant with a different consortium?

Answer: Yes. See further the Guidelines for grant applicants, section 2.1.4.

2) Question: Is it possible that third parties hire staff of co-applicants to assist in the implementation of sub-grants?

Answer: This is a very sensitive issue and should be considered case by case. In principle, without knowing details of this specific case, one-off actions such as expert support, training, advising could be authorized if person has clearly specific skills or expertise. However, we strongly recommend not engaging staff member of co-applicant as staff member in the sub-grant to avoid situations of conflict of interest.

The Contracting Authority takes issues of conflict of interest very seriously. If you are implementing a grant and you have any doubts in this regards we recommend you to discuss about the issue with the EU Delegation Project Manager assigned for your action. In addition, section 19.2.4 of "The implementation of grant contracts - A Users' Guide" gives further guidance to you in this respect:

<http://ec.europa.eu/europeaid/companion/document.do?nodeNumber=19.2.4&locale=en>

3) Question: Is it necessary to indicate for each line to whom money should be allocated (to applicant, co-applicant or partner organization)?

Answer: No. It is sufficient that sheet 3 "Expected sources of funding" of Annex B. Budget is properly filled-in.

4) Question: How should we arrange transfer of money to the partner organization? Should there be a certain contract between applicant and co-applicant defining the transfer method?

Answer: The leading applicant (Co-ordinator) will be the sole recipient, on behalf of all of the Beneficiary(ies), of the payments of the Contracting Authority. The Co-ordinator shall ensure that the appropriate payments are then made to the Beneficiary(ies) without unjustified delay. The arrangements related to the transfer of money from the Co-ordinator to other Beneficiaries should therefore be agreed among themselves beforehand.

See further section 19.2.1.3 of "The implementation of grant contracts - A Users' Guide":
<http://ec.europa.eu/europeaid/companion/document.do?nodeNumber=19.2.1.3>

5) Question: Should third parties be legal persons or it can be also a private person?

Answer: Third party can be a private person, subject to mandatory conditions referred to in

the Guidelines for grant applicants, section 2.1.4, page 18.

6) Question: Can non-registered organization participate?

Answer: Yes. See further the Guidelines for grant applicants, section 2.1.1.

7) Question: Must third parties be Belarusian? Or could it be, for example, an EU Member State based profit-making organisation?

Answer: Please note that third parties are neither affiliated entity(ies) nor associates nor contractors. Moreover, contracts subject to the procurement rules set out in Annex IV to the standard grant contract do not qualify as financial support to third parties.

Nevertheless, third party can be non-Belarusian entity and/or profit-making organization, subject to mandatory conditions referred to in the Guidelines for grant applicants, section 2.1.4, page 18.

8) Question: Will third parties under Lot 1 need to provide co-financing? Or can we finance them in full? If third parties must provide co-financing, would this co-financing be understood as a co-financing for the whole action?

Answer: Third parties are usually not supposed to provide co-financing, they are supposed to receive it.

9) Question: Is there a limits or requirements regarding to the number of calls for proposals that an applicant must organise in order to identify third parties for sub-grants? Can we organise several or only one call? If several Calls for proposals are permitted, is it possible that one third party receives grant several times?

Answer: The Guidelines for grant applicants do not define exhaustive requirements for the Calls for proposals that applicant must organize. All such aspects and other requirements must be elaborated by the applicant itself in the full application form under mandatory conditions referred to in the Guidelines for grant applicants, section 2.1.4, page 18.

10) Question: Reference is made to question "3.1 Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?" of the Full proposal evaluation grid. This Call does not have expected results. How EU assesses the proposals under this point?

Answer: The applicants are expected to elaborate in their proposals on the results to be achieved, and these will be assessed against the objectives of the programme and priority issues as per section 1.2 of the Guidelines for grant applicants.

11) Question: Do we have to register also local executive committee or council in PADOR?

Answer: All lead applicants, co-applicants and affiliated entities must be registered in PADOR. Otherwise it is not possible to submit the application itself via PROSPECT which

requires PADOR reference numbers to identify lead applicants, co-applicants and affiliated entities.

We would like to strongly encourage you **not** to leave PADOR registration and PROSPECT submission to the last minute but start the process as soon as possible. In case you fail to submit your application due to IT related problems, it will not be considered.

12) Question: Will the EU award only one grant under the Lot 1?

Answer: Yes, unless additional resources will become available. The reserve list will be used if more funds become available during the validity period of the reserve list.

13) Question: Can the department of education, the department of culture and other structural subdivisions of the regional or district executive committees be the applicants or co-applicants?

Answer: As stipulated in Section 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. Please see however footnote 16 on page 10 of the Guidelines for grant applicants.

14) Question: Is it possible for the EU to provide staff member to support the implementation of the project, notably in case of complicated project with important budget?

Answer: Every EU financed project has the assigned EU Delegation project manager whom the Coordinator can contact to seek advice if needed. The role of the EU Delegation project manager is however rather limited, and he/she cannot work directly on the implementation of the Action.

15) Question: The full proposal evaluation grid assesses the financial viability of applicants. In Lot 2, only the Local Authority can be the leading applicant. However, Local Authorities do not have account or other resources due to their governmental status. Does this mean that they will receive zero points in this chapter, which leads to disqualification of the whole project proposal?

Answer: We acknowledge that the Local Authorities have specific status, and we confirm that this situation will not lead to automatic exclusion. The Local Authorities should nevertheless upload in PADOR the relevant documents, proving their status (and thus – their reliable financial situation).

16) Question: Taking into account that the EU funded projects are international technical assistance, can you tell me if VAT is eligible or ineligible cost for the project, or can we choose whether to include VAT to budget or not?

Answer: Taxes, including VAT are eligible provided the beneficiary(ies) (or, where applicable, its affiliated entity(ies)) can show they cannot reclaim them. See further Annex J to the Guidelines for grant applicants.

This has to be reflected in the Budget accordingly, i.e. if the beneficiary can show it cannot reclaim taxes, they should be included in each relevant budget line. Taxes that can be reclaimed are not considered as eligible and should not be included in the budget at all. See further footnote 11 on sheet 1 "Budget for the Action" of Annex B. Budget.

17) Question: Our organisation is an educational institution subordinated to XX Regional Executive Committee, which also finances our operations. Are we eligible to apply as applicants or third Parties?

Answer: See answer to question 13 above.

18) Question: We consider Local Authority as an Executive Committee on regional or district level. However, all Executive Committees consist of departments or divisions in different spheres (education, industry and etc.). These departments are part of Executive Committee. Could these departments be considered as Local Authority?

Answer: See answer to question 13 above.

19) Question: We are currently implementing an EU funded project and we plan to apply also in the current call. In the current budget we have included payments to Social Fund to the salaries. On 21 March 2017 the Council of Ministers issued a resolution, which listed the salaries of the people participating to the implementation of the EU funded projects to the list of payments that are exempted from the Social Fund payments. Thus, according to the Belarusian legislation, we should stop paying to the Social Fund. However, our employees are interested to continue paying the contributions to ensure better pension in the future. What are the recommendations concerning this issue? Can we include Social Fund contributions as eligible costs to the project budget, as part of salaries?

Answer: In accordance with the provisions in Article 14.2 of the General Conditions (Annex II to the standard grant contract), social security charges are eligible costs. Therefore, currently, they should be included in the budget in line with the respective instructions.

Please note however that we are still in consultation process with all relevant parties concerning this issue.

20) Question: At the moment all payments of the Local Authorities are rendered through treasury system. If co-financing is coming via treasury, is it considered as eligible co-financing or not?

Answer: Yes, it is an acceptable source of funding for co-financing.

21) Question: If the organization exists on a voluntary basis and has a legal status, in which role can we participate in this call for proposals? If we have extensive experience in organizing projects, should this be mentioned in the application?

Answer: As stipulated in Section 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. Please see however the eligibility criteria in section 2.1 of the Guidelines for grant applicants.

NB. Previous experience with projects should be provided in the full application form, in accordance with the instructions contained therein.

22) Question: According to our legislation, we apply all tax procedures also for co-financing. How should we show it in the budget - with or without taxes?

Answer: See answer to question 16 above.

23) Question: The EU used to apply rule that organisation's annual turnover should be twice as big as amount they were applying for. Is this requirement still valid?

Answer: There is no such requirement.

24) Question: In the Guidelines it is mentioned that grants for third parties cannot be more than EUR 60 000. Are there any limits for financing for co-applicants, affiliated entities or associates?

Answer: There are no limitations to the portions of the Action budget to be implemented by the co-applicants or affiliated entities. As regards associates, they play a real role in the action but may not receive funding from the grant, with the exception of per diem or travel costs. See further the Guidelines for grant applicants, section 2.1.3.

We would also like to draw your attention to the fact that the maximum amounts of financial support per third party vary according to the lot. See further the Guidelines for grant applicants, section 2.1.4.

Questions arrived by email, in order of arrival:

25) Question: Will recently established (2017 year of foundation) Civil Society Organisation be eligible for the grant (Lot 1) and under what conditions?

Answer: See answer to question 21 above.

26) Question: Reference is made to the Guidelines for grant applicants, section 2.1.4 which defines for Lot 1 the following "Under this lot, financial support to third parties must be the main purpose of the action and the total amount of financial support to third parties must be at least 70% of the total cost of the grant."

Does it mean that this amount should be given directly to third parties (CSOs) on competitive basis or does it mean that the total amounts received on competitive and non-competitive basis by third parties (eg. applicant needs analysis for the implementation of project objectives) are also calculated into this amount (app. 60 000 EUR/per third party)?

Answer: In case of Lot 1, at least 70% of the total cost of the grant has to be directly

distributed to third parties, subject to mandatory conditions referred to in the Guidelines for grant applicants, section 2.1.4, page 18.

See also answers to questions 2 and 7 above.

27) Question: Reference is made to the Guidelines for grant applicants, section 1.3 which defines the following maximum percentages of the total eligible costs for Lot 1: 90 % in case the applicant has the nationality of Belarus or of an "ENI East" beneficiary country, and 75 % if the applicant has the nationality of a Member State of the European Union or of a country of the European Economic Area.

Question is that EU Member States get 75% of financing and Belarussian organisations 90% - if EU Member State organisation is project leader and gets up to 75% financing and Belarussian partner 90% of his costs, or they both get 75%?

Answer: If the lead applicant has the nationality of an EU Member State, the maximum percentage of the EU financing will be 75 % of the total eligible costs of the action.

28) Question: Can we clarify that the co-applicants can be international partners who are researching and campaigning on Belarus?

Answer: See answer to question 21 above.

29) Question: We note that more than 60% of funds need to go to "third parties". Can this include funds allocated to co-applicant organisations?

Answer: Co-applicants participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred by the lead applicant. Thus, funds allocated to co-applicants do not qualify as financial support to third parties.

30) Question: Are there any the Guidelines on how much lead applicants are expected to allocate funds to co-applicants?

Answer: There is no guidance in this regard; neither there are limitations to the portions of the Action budget to be implemented by the applicants.

31) Question: If funding is being distributed to third parties through a call for proposals, does this need to be an "open call"?

Answer: No. See answer to question 9 above.

32) Question: Is the funding only designed for organisations that are either (i) Running a sub-granting open call, (ii) providing emergency support? Or can it be used for joint projects we develop together with local partners – which they receive funding to implement?

Answer: See answer to question 21 above.

33) Question: Based on the description of the proposed project provided, can you tell us if we can apply for Lot 2 under the above project to solve the problem (is this project acceptable within the announced tender).

Answer: See answer to question 21 above.

34) Question: Conditions for acceptable and unacceptable expenses are not clearly formed.

Answer: Eligibility of costs is explained in detail in section 2.1.5 of the Guidelines for grant applicants, Article 14 of the General Conditions, and section 19.3.1 of "The implementation of grant contracts - A Users' Guide":
<http://ec.europa.eu/europeaid/companion/document.do?nodeNumber=19.3.1>

35) Question: Who are the applicants in the competition (local authorities, other legal entities)?

Answer: See the Guidelines for grant applicants, section 2.1.1.

36) Question: Is there a necessity to have any partners?

Answer: There must be at least one co-applicant. Minimum recommended number of the co-applicants is three. See the Guidelines for grant applicants, section 2.1.1.

37) Question: According to the Guidelines for the applicants, the requested grant can cover up to 90 % of the total eligible costs of the action, and a minimum grant amount is EUR 1,500,000 (for Lot 1). 10% of co-financing has to be borne by the applicant/co-applicants only, or can it be distributed proportionally among all the third parties as well?

Answer: Please note that the balance must be financed from sources other than the European Union Budget or the European Development Fund (see the Guidelines for grant applicants, section 1.3). However, this does not have to be borne by the applicant/co-applicants only. The co-financing can also come from, e.g. the European Endowment Fund or from the EU Member States.

See also answer to question 8 above.

38) Question: I would like to find out about supporting documents which must be provided through PADOR: Does Local Authority (which will apply for LOT2) need to make an external audit report? If do not, what they have to do in this case? What to put on PADOR?

Answer: An external audit report produced by an approved auditor, certifying the lead applicant's accounts for the last financial year available must be provided where the total amount of the requested EU contribution exceeds EUR 750 000.

39) Question: Are design estimates and construction documents eligible costs or it will be

consider as non-eligible costs?

Answer: Such costs will be eligible if they will be incurred during the implementation of the Action. See further Article 14.1 of the General Conditions.

40) Question: According to the requirements of the Guidelines for Lot 1, the financial support to third parties must be the main purpose of the action, and the total amount of financial support to third parties must be at least 70% of the total cost of the grant. Does this mean 70% of the grant amount or 70% of the total action budget including co-applicants co-financing of the project?

Answer: This means 70% of the total action budget including co-applicants co-financing of the project.

41) Question: Do co-applicants allowed to ask third parties obtaining financial support from the grant to provide their co-financing of their initiatives? Would the costs covered by the third parties from their own means and confirmed by the supporting documents according to the requirements of the general conditions of the grant contract be considered as eligible?

Answer: See answer to question 8 above.

42) Question: Can an EU Member State NGO be an applicant assuming that one of our co-applicants is NGO registered in Belarus?

Answer: Please see the eligibility criteria in section 2.1 of the Guidelines for grant applicants.

43) Question: please let us to know what of kind application is requested to 1st of June - concept note (as indicated in the point 2.5.2 timetable) or full application form (as indicated on the title page of the Guidelines for the applicants)

Answer: This is an open call for proposals, where all documents must be submitted together (concept note – Annex A.1 – and full application form – Annex A.2) by the given deadline, i.e. 1 June 2017. See the 2nd page of the Guidelines for grant applicants ("Notice").

44) Question: What is the financial flow in the project? Will there be no problem that the Belarusian partner receives the full quota from the EC and transfers it to the partners outside Belarus?

Answer: See answer to question 4 above. Please also note that it is the responsibility of the applicants to respect local legislation.

45) Question: Is the project prepaid or the costs are reimbursed after the reporting? I understand that the reporting is every 1 year?

Answer: Initial and further pre-financing payments, as well as the balance payment, are foreseen, in accordance with the provisions in Article 15 of the General Conditions.