



Republic of Serbia
MINISTRY OF FINANCE
Department for Contracting and Financing of EU Funded Programmes (CFCU)

Belgrade, 4 June 2020

CONTRACTING AUTHORITY'S CLARIFICATIONS No. 3

1st Call for proposals: **Cross-border Programme Serbia – North Macedonia 2016-2020 under the Instrument of Pre-accession Assistance (IPA II), allocations 2016 and 2017**

EuropeAid/165171/ID/MULTI

No.	Question	Answer
1.	<p>We, the main applicant Municipality of A, Macedonia together with our partner Municipality of B, Serbia, are encouraged to submit full application on the IPA Cross Border Europe Aid /165171/ID/Multy programme. Namely, in our concept note under activity 2 it is planned construction of Tourist Cottages on both sides of the border, in location A and in location B - activity 2 (construction of tourism cottages 180 days.) Please see concept note attached to this email.</p> <p>In the period from submission of the concept note till today the partner, municipality B, has already built premises with the local funds and funds from the central government, and they do not need to build a new tourism cottage since there is a such a venue currently constructing. Tring to be rational in terms of budget and activities we have the following questions:</p> <ol style="list-style-type: none">1. Is it possible to avoid construction of tourism cottage in location B, in the full application even though it was planned in the concept note? Is this tolerable by the Delegation/ evaluation board?2. Is it possible to allocate part of those budget planned for construction of the tourism cottage in location B for the other activities planned, for instance, for construction of the biking and hiking trails and their promotion?	<p>In line with the GfA, Section 2.2.8 <i>Full application Further information on concept notes</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), or an action”.</p> <p>In addition please refer to GfA, Section 2.2.1, paragraph 2: “The elements outlined in the concept note may not be modified in the full application. The EU contribution may not vary from the initial estimate by more than 20%. Lead applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and percentages of co-financing, as laid down in these guidelines in Section 1.3. The lead applicant may replace a co-applicant or an affiliated entity only in dully justified cases (e.g. bankruptcy of initial co-applicant or affiliated entity). In this case the new co-applicant/affiliated entity must be of a similar nature as the initial one. The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). In such cases the</p>

<p>Please let us know if these changes are allowed and do we need to write down a special explanation regarding the same in the full application or as an annex? Or it is enough to just mention this change? Finally, what is the procedure regarding this change that we should follow? Please advise me know how to proceed further?</p>	<p>duration must remain within the limits imposed by the guidelines for applicants. An explanation/justification of the relevant replacement/adjustment shall be included in an accompanying letter or email.</p> <p>Own contributions by the applicants can be replaced by other donors' contributions at any time"</p> <p>Also, please refer to GfA section 2.2.5: "Lead applicants invited to submit a full application following pre-selection of their concept note must do so using Part B of the grant application form annexed to these guidelines (Annex A). Lead applicants should then keep strictly to the format of the grant application form and fill in the paragraphs and pages in order.</p> <p>The elements outlined in the concept note cannot be modified by the led applicant in the full application. The EU contributions may not vary from the initial estimate by more than 20% although lead applicants are free to adapt the percentage of co-financing required within minimum and maximum amount and percentage of co-financing, as laid down in these guidelines under Section 1.3 The Lead applicant may replace a co-applicant or an affiliated entity only in dully justified cases (e.g. bankruptcy of initial co-applicant or affiliated entity). In this case the new co-applicant/affiliated entity must be of a similar nature as the initial one. The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). In such cases the duration must remain within the limits imposed by the guidelines for applicants. An explanation/justification of the relevant replacement/adjustment shall be included in an accompanying letter or email.</p> <p>Lead applicants must submit their full applications in the same language as their concept note. Please complete the full application form carefully and as clearly as possible so that it can be assessed properly.</p> <p>Any error related to the points listed in the checklist (Part B, Section 7 of the grant application form) or any major inconsistency in the full application (e.g. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.</p>
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2.	<p>By a document No. 48-00-00046/2019-28 from Ministry of finance of RS, I was informed that the Concept note of the Project we intend to apply was pre-selected by the Evaluation committee.</p> <p>Before preparing the final Budget plan, I have question regard to the procedure of pre-financing. Namely, the Institution which supposed to be the lead applicant (Institution A) has no financial capacities to pre-finance the majority of the Project costs and wait for final payment by contracting authority after reports.</p> <p>According to 'Grant contract" (Annex G_1) there are an options which can be acceptable for the Faculty management, just as: Article 4.2. [Option 2 only.] [Note that the forecast instalments should be indicated as one global amount and not broken down per payment. The actual instalments will be based on the updated forecast for the next reporting period. 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.] The text is referenced to Article 15 of Annex II (General conditions).</p>	<p>For the payment procedures, please refer to the Article 15.1. of Annex G_2 General Conditions:</p> <p>“Option 1: Actions with an implementation period of 12 months or less or grant of EUR 100 000 or less</p> <p>i) an initial pre-financing payment of 80 % of the maximum amount referred to in Article 3.2 of the special conditions (excluding contingencies); ...”</p> <p>“...Option 2: Actions with an implementation period of more than 12 months and grant of more than EUR 100 000</p> <p>(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 budget financed by the contracting authority is calculated by applying the percentage set out in Article 3.2 of the special conditions;...”</p> <p>In addition, Special Conditions Article 4.2 provides the following note: “[Option 2 only.] [Note that the forecast instalments should be</p>

	<p>So, my question is "Is there any possibilities for the Project to be pre-financed with 90 % (or more) of the amount referred to in Article 3.2 of the special conditions, and if yes, by which procedure." If this is possible, I can explain to the management of Institution A to support the Application and, possibly the realization of the Project.</p>	<p>indicated as one global amount and not broken down per payment. The actual instalments will be based on the updated forecast for the next reporting period. The total sum of pre-financing payments <i>may not exceed 90 % of the amount referred to in Article 3.2 of the special conditions, excluding not authorized contingencies.</i>]"</p> <p>Please note that the pre-financing is paid by Contracting Authority, and not by the Applicant/Beneficiary, in the amount and percentage defined in the Special Conditions Article 3.</p>
<p>3.</p>	<p>Regarding the content of the Full Application, please clarify the following issue concerning the Annex F:</p> <ul style="list-style-type: none"> - Since the Annex F is obligatory to be submitted (as stated in the Guidelines, section 2.25, page 45), but all partners involved in the project proposal are already registered in Pador, do we still need to submit such completed organization data forms? 	<p>According to the GfA, Section 2.2 How to apply and procedures to follow, "Information in PADOR will not be drawn upon in the present call".</p> <p>GfA, Section 2.2.5 Full applications clearly states: "With the full application the lead applicant also has to submit completed organization data forms (Annex F) for the lead applicant, each co applicant and each affiliated entity."</p>