

# **THE IPA CROSS BORDER COOPERATION PROGRAMME BETWEEN THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA AND ALBANIA UNDER THE 2007 ANNUAL ALLOCATION**

## **Questions and Answers**

### **Q1. What will be the role and responsibility of the JTS during the implementation?**

A1. Regarding the implementation of the operations awarded under the CBC programme, the JTS will be responsible, *inter alia*, for the main following tasks:

- support the programme's management structures in programme implementation;
- run info-campaigns, trainings, help-lines and web-based Q&A in order to support potential applicants in the preparation of project applications;
- assist potential beneficiaries in partner research and project definition;
- prepare standardized forms for project application, assessment, contracting, implementation, monitoring and reporting;
- carry out joint information and publicity activities, including setting up and maintaining an official programme website;
- prepare, conduct and report on monitoring of the projects

### **Q2. Which partner should submit the application? Which partner is signing the contract and with whom?**

A2. In case of an operation implemented in both countries, the partners in each country shall appoint a Lead Partner. If the operation is selected, each Lead Partner will sign a contract with the respective Delegation of the European Commission (in Skopje for the Lead Partner from former Yugoslav Republic of Macedonia and in Tirana for the Albanian Lead Partner).

The two Lead partners shall appoint among themselves a Functional Lead Partner prior to the submission of the project proposal. The Functional Lead Partner will be in charge of submitting the project proposal and later of ensuring the overall coordination of the project activities on both sides of the border.

However, each Lead Partner (not only the Functional Lead Partner) has to fill the section II ("The applicant") of Part B ("full application form") of the Grant Application Form.

In case of an operation implemented only in one country and as only one contract will be signed if the project is selected, there is of course only one Lead Partner signing the contract and no Functional Lead Partner.

### **Q3. Can funds from other donors than EC be used for co-financing?**

A3. Resources provided by another budget line of IPA programme or by another EC programme cannot be considered as a co-financing. Resources provided by other donors can be taken into account as co-financing

### **Q4. Can the salaries of staff engaged for the project be taken into account as co-financing?**

A4. Yes, but only if the employees are not civil servants or employees of central and local administrations.

**Q5. Are the organisations listed in part 2.1.1 of the Guidelines the only organisations which can apply or are they mentioned only as examples?**

A5. Only applicants who fulfil the conditions listed in section 2.1.1 of the Guidelines for Applicants are eligible for funding under this call for proposals. The partners of the Applicant shall fulfil also the same criteria.

**Q6. What is happening if the partner from the other side of the border is not using funds on the proper way?**

A6. Each Lead Partner is liable for the implementation of the grant contract he has signed with the respective EC Delegation and for the financial management of this grant contract. In case of an operation implemented in both countries and involving two Grant Contracts, the role of the Functional Lead partner is to ensure the overall coordination of the project. The Functional Lead partner is legally responsible only for the contract he has signed and not for the contract signed by the other Lead Partner. In case of misuse of funds by any Partner, those funds will be recovered from the Partner's account.

**Q7. Who carries out the financial audit of the project?**

A7. Internal audit: An expenditure verification/audit is not mandatory for grants financed under this Call for Proposals. However, audit costs are always eligible and can be included in the budget.

External Audit: an external financial audit of the project may be carried out upon request of the JMC, the Operating Structures or the Contracting Authorities.

**Q8. Who do the monitoring of the project?**

A8. The monitoring of the projects is carried out by the JTS, on behalf of the JMC, and by the Contracting Authorities (see Article 8 of the General Conditions of Contract – Annex II of the Application Pack)

**Q9. Is it necessary for applicants to have two positive annual balance sheets in order to apply?**

A9. Having a positive annual balance sheet is not mandatory. The financial capacity of the applicants is evaluated during the evaluation of the full application (Step 3) and is scored maximum 5 in the evaluation grid.

**Q10. Do partners need to conclude separate legal contracts between themselves?**

A10. Only the Partnership Agreement, which is part of the project application, is mandatory. Any additional arrangement deemed necessary is left to the discretion of the partners.

**Q11. What is happening if one of the partners breaks the partnership agreement?**

A11. Such a situation is highly undesirable, and the role of the Lead/Functional Lead Partner is to prevent it. If the Partner is signatory of the grant contract, he bears responsibility as per the contract. The measures to be taken, related to this specific case, will be decided by the Operating Structure(s) in consultation with the contracting Authorities.

**Q12. Do all partners in the project need to fulfil eligibility criteria as applicants and be 12 months operational before the deadline for submitting the application?**

A12. The partners must satisfy the same eligibility criteria as applicants, including being operational 12 months before the deadline for submitting the application. (pt. 2.1.2. of the Guidelines for Applicants refers).

**Q13. Could VAT be co-financing?**

A13. The VAT is not an eligible cost and cannot be taken into account as a co-financing.

**Q14. Are telephone costs eligible expenditure, and how could they be claimed if the phone of an institution is used also for project services?**

A14. If the telephone line is exclusively open and/or used for the project and supported by an itemised invoice, the costs are eligible and may be covered by the budget line 4.4. "Local office/other services".

If the use of the phone line is not exclusively linked to the project (cannot be booked to it directly) but if part of the cost can be identified and justified as having been incurred in connection with the project, it can be covered by the budget line "Administrative costs" (also called "Indirect costs")

**Q15. Is the rent of a project office eligible?**

A15. If the office is exclusively dedicated to the project it may be covered by the budget line 4.2. ("Local office/office rent").

If the office is not exclusively used for the project, costs may be partly covered by the budget line "Administrative costs" (also called "Indirect costs")

**Q16. Are operational costs for the project eligible?**

A16. The costs directly and exclusively linked to the project (office rent, office supplies, tel/fax., electricity, etc.) may be covered by the budget line 4 "local Office". These costs should be supported by itemised invoices.

**Q17. In chapter 2.1.4 of the Guidelines for applicants, what is the meaning of "operational costs" not being eligible?**

A17. The non-eligible operating costs relate to administrative activities of the applicant organisation or its partners which are not related to the particular action/activities under this call. .

**Q18. If an NGO is not registered into the VAT system, is VAT eligible cost for them?**

A18. No. VAT is not an eligible cost, regardless the status of the grant beneficiary.

**Q19. Do the lead partners need to have separate bank accounts for implementation of the project?**

A19. Yes, each Lead Partner must have its own bank account and, therefore, fill in separate Financial Identification Forms (Annex E).

**Q20. Can the Operating Structure or the JTS check our application before it is submitted?**

A20. No. This is contrary to the rules.

**Q21. In the Grant Application Form, part B “Full application form”, chapter II “Applicant”: who should provide data? Only Functional Lead Partner or both Functional Lead Partner (with whole set of information from 1 to 4) and Lead Partner (with whole separate set of information from 1-4)?**

A21. Both Lead partners, including the Functional Lead Partner, must fill the chapter II of the part B of the Application Form.

**Q22. On the first page of the Grant Application Form, as well as in the part B chapter 1.3, which amount should be presented under: Total eligible cost of the action (A); Amount requested from the Contracting Authority (B) and % of total eligible cost of action (B/Ax100)**

A22. All three of them, and they should be coherent with the detailed budget (Annex B). In case project activities are implemented on both sides of the border, the same information has to be presented for both projects separately and with totals. In addition:

- two detailed budgets (Annex B) must be submitted (one for each side of the border);
- in the single application form, the activities implemented on the each side of the border should be clearly identified and related to the relevant budget.

**IMPORTANT NOTICE:** in Annex B, each Lead partner shall insert the information relevant to the budget for project activities implemented on its side of the border, including the amount requested from its Contracting Authority ("Commission contribution sought in this application") - minimum 20.000 EUR maximum 50.000 EUR.

**Q23. Does financial implementation report cover 100% of project budget or only grant funds?**

A23. The financial reports should cover the total eligible cost of the action.

**Q24. How does the applicant provide evidence of its capacity for co-financing? Is it with bank statement or something else?**

A24. Your financial capacity is proved through the profit and loss account and the annual balance sheet. No other evidence is required. However, Note that payment is done against eligible expenditure already incurred (except for payment of pre-financing). Once the activities are carried out and paid, the grant beneficiary provides the Contracting Authority with a final financial report, invoice, and supporting documents proving the costs incurred.

The Contracting Authority will then pay 85% of what it considers eligible costs, the other 15% being the responsibility of the beneficiary.

**Q25. Can funds provided by a Dutch foundation which do not have connection with EU and IPA be considered as co-financing?**

A25. Yes

**Q26. Can per diem and travel costs be part of the co-financing?**

A26. Yes, per diem and travel costs are eligible costs and can therefore be taken into account for co-financing.

**Q27. Is it needed for the procurement of equipment to provide a certificate of origin from EU country?**

A27. All supplies and materials purchased under a contract financed under this programme must originate from the Community or a country that is beneficiary of IPA, or a country that is a beneficiary of the European Neighbourhood and Partnership Instrument, or a member state of the European Economic Area.

**Q28. For the Macedonian side of border the total allocated amount is 680.000 EUR and for the Albanian side of border the allocation is 340.000 EUR. Does it mean, that we as Macedonian partners have to request higher amount for the grant (not more than 50.000 EUR) and Albanian partners have to request lower amounts for the grant?**

A28. The maximum amount to be requested for a grant in each country is 50.000 Euro.

**Q29. In the two log frames (one per Lead Partner), should the overall objective and specific objective be the same for both countries or can they be different for each country? (They are of course in harmony but maybe slightly different).**

A29. Each log frame should reflect the activities, expected outputs, etc., in the respective country. Specific objectives may be the same or slightly different as this will depend on the structure of the project and the activities carried out by each partner.

**Q30. Euclid Infotech is a company established in Mumbai, India. We are interested in participating in the CFP for CBC between former Yugoslav Republic of Macedonia and Albania and would like want to get more information about it.**

A30. To be eligible for funding an applicant must be established in a member state or a country that is beneficiary of IPA, or a country that is a beneficiary of the European Neighbourhood and Partnership Instrument, or a member state of the European Economic Area. An organisation established in India is therefore not eligible (Art. 2.1.1/2 of the Guidelines for Applicants).

**Q31. Should the co-financing consist only of financial means which should be provided by the beneficiary? Or could it be participation with equipment, vehicles, telephone, experts, organisation of events etc.?**

A31. The co-financing consists only of financial means. Any contributions in kind are not eligible costs and may not be treated as co-financing by the beneficiary. Salaries of experts working for the project may be regarded as co-financing. Costs of activities, such as the organisation of events, clearly mentioned in the budget, may also be regarded as co-financing.

**Q32. May a French tourism organisation apply to the IPA call for proposals between FYROM and Albania? May a French organisation be a lead partner?**

A32. A Lead partner must be established in a member state or a country that is beneficiary of IPA, or a country that is a beneficiary of the European Neighbourhood and Partnership Instrument, or a member state of the European Economic Area. Therefore a French organisation may be Lead partner providing that it fulfils all the other remaining eligibility requirements (Section 2.1.1 Guidelines for Applicants).

**Q33: Size of grants**

**in the section 1.3.3 of the GfA (size of grants) it is stated that " any grant awarded under this call must fall between the following minimum and maximum: 20 000 Euros minimum and 50 000 Euros maximum"**

**- Does it refer to a min/max per grant contract or to a min/max per action?**

**- In case these are min/max per grant contract and in the case of an action involving two Lead Partners do we agree that the maximum amount for the whole action maybe 100 000 Euros and the minimum 40 000 Euros?**

A33: - One grant contract corresponds to one action. The minimum and maximum mentioned in section 1.3.3 of the GfA refer to the minimum and maximum of the grants which can be signed by the respective contracting authority to each Lead Partner.

- In the case of an action involving two lead partners , each lead partner may submit a request for IPA funding for a maximum of 50.000 EUR (plus 15% of co-funding) and a minimum of 20.000 EUR (plus 15% of co-funding). The same rule applies for an action involving only one Lead Partner.

**Q34. Secondary procurement**

**What are the procurement procedures to be followed by the grant beneficiary? Is it according to national legislation or the EU regulations?**

A34. Please refer to Art. 2.6 of the Guidelines for Applicants, Implementation contracts: "The beneficiary must follow the procedures set out in Annex IV of the grant contract".

**Q35: Deadline for submission of the proposals**

**The 3<sup>rd</sup> of August is a national holiday day in the former Yugoslav Republic of Macedonia. According to national rules, if a deadline mentioned in a tender publication is a non-working day it is automatically moved to the first next working day. In the case of this CfP it would be the 4<sup>th</sup> August.**

**Does this rule apply for this CfP?**

A35. Yes, in that case the deadline for submission should be considered as 4 August 2009, 16:00h CET.

**Q36. Should the Albanian partner be established in the eligible area in Albania? or from any other part of Albania?**

A36. Article 2.1.1 Eligibility of Applicants states that applicant must *be established in a Member State or a country that is a beneficiary of IPA or a country that is a beneficiary of the European Neighbourhood and Partnership Instrument, or a Member State of the European Economic Area*. Same eligibility criteria apply also to partners of the Applicant. The Action has to take place in the eligible regions.

**Q37. Can trade companies participate in the project as sub contractors?**

A37. Yes, trade companies can be subcontractors, as mentioned in section 2.1.2 of the Guidelines for Applicants.

**Q38. Do applicants need to submit documents for bonitet (solventy) from the central register to show its financial stability?**

A38. Your financial capacity is proved through the annual balance sheet, and this is the only financial capacity that can be considered. Nevertheless, you may decide to support your balance sheet with other documents too, if you believe it is needed.

**Q39. Can NGOs establish partnerships only with NGO, public enterprises with public enterprises, or it could be mixed?**

A39. All types of partnerships are eligible, including “mixed” partnerships (e.g. municipalities/NGOs).

**Q40. Tourism is emphasised in the first measure of the CBC programme and of the Cfp. Does it mean that under measure 1 only tourism projects are eligible?**

A40. All sectors of the economy of the eligible area can be covered under the measure 1 - Economic development with an emphasis on tourism related areas. For more details see Section 2.1.3 of GfA.

**Q41. How many application forms can an organisation submit as lead partner?**

A41. An applicant can submit only one application (i.e. be a Lead Partner) under this Call for Proposals. An applicant can participate in more than one application as a partner (p.14 of the Guidelines for Applicants).

**Q42. Is it possible to apply with a project, where the partner will not be involved in the project implementation but will have a benefit from the project?**

A42. Eligible actions shall include applicants from each side of the border which shall cooperate in **at least one of the following ways**: joint development, joint implementation, joint staffing and joint financing.

**Q43. Who is responsible for the implementation of the project and financial management of the Grants? Functional Lead partner for whole of it, or each of the lead partners?**

A43. The Functional Lead Partner is responsible for the overall coordination of the action, for organizing joint meetings and for reporting to the JTS on the overall progress of the joint project. However, the lead partner from each side of the border remains responsible and liable vis-à-vis the respective Contracting Authority for ensuring the implementation of the part the action taking place in their respective country and covered by their contract; this includes of course the financial management of the respective grant. For more detailed explanation please read 2.1.2 Partnerships and eligibility of partners in the Guidelines for Applicants.

**Q44. Are costs related to the preparation of the application eligible for the grant?**

A44. According to Section 2.1.4 of the Guidelines for applicants “costs for any preliminary studies or activities carried out before the commencement date of the action is ineligible cost”.

**Q45. Is preparation of feasibility study eligible activity?**

A45. Yes, feasibility studies are eligible, if they are included in the project proposal and in the budget, and are undertaken during the implementation of the project (see “Types of Actions” under Section 2.1.3 Eligible Actions of the guidelines for applicants).

**Q46. What kind of infrastructure could be financed under this Call?**

A46. Investments for infrastructure are allowed as long as they fulfill the condition mentioned in section 2.1.3, in “types of actions”.

**Q47. What is the meaning of “branding” under measure 1? Does it mean marketing activities?**

A47. In the measure 1, the mention of branding (“promotion the protection -branding, better access to market- of the traditional food and agro-food products, as well as handicrafts”) refers to existing legal instruments for protecting and, to certain extent, for promoting traditional and regional products. These legal instruments and procedures are defined in the laws on Intellectual Properties in each partner countries (e.g. Protected Denomination of Origin, Geographic Indications, Collective trademarks, etc.). You may find additional information in the respective Agencies for Intellectual Properties and in the Ministries of Agriculture. You may also consult the website of the Organisation for an International Geographical Indications network  
[www.origin-gi.com](http://www.origin-gi.com)

**Q48. Is it possible that under a same measure, a partner submits an application as a Functional Lead Partner and a second application as a “simple” Lead Partner?**

A48. No. An applicant may submit one application under one measure only as a Lead partner, regardless if he is or not the Functional Lead Partner (see “number of proposals and grants per applicant” under 2.1.3 of the guidelines for applicants. An applicant may participate in more than one application, as a Partner under this Call for Proposals.

**Q49. How much budget and expenses are evaluated?**

A49. Budget and cost effectiveness are scored maximum 15 points in the evaluation grid for the evaluation of full application that can be found in the guidelines for applicants (Section 2.3 GfA).

**Q50. Is amortization of photocopier (which will be used during project implementation) eligible cost?**

A50. No, in order to be eligible, the costs must be actually incurred by the beneficiary during the implementation of the action.

**Q51. If one NGO apply as a Functional Lead Partner and if he has a partner like Municipality or Public Communal Enterprise, is it possible that partner (Municipality or Public Communal Enterprise) is covering completely co-financing from 15%.**

A51. Yes, a partner organisation can cover completely the co-financing of the action.

**Q52. Health institutions from Bitola and Korca would like to propose a joint project which aims at improving the healthcare prevention for the citizens from this region. Project foresees procurement of two medical equipments, one for each of the institutions. During the project implementation, prevention healthcare examination will be carried out in part of the eligible regions in both countries. Could this type of action be financed by the programme?**

A52. Regarding the eligibility of actions, please consult the Guidelines for Applicants, chapter 2.1.3, "type of actions".

**Q53. Under this kind of projects, is it possible to procure two medical equipments and what will be procedure for its procurement? (if procurement will be according the procurement laws in the respective countries or according EU rules)?**

A53. Medical (and any) equipment may be considered as eligible costs if fully justified by the project objectives. In awarding any procurement contracts required for the purpose of the action, the beneficiary must comply with the principles set out in annex IV of the standard grant contract. See also section 2.6-Implementation contract, from the Guidelines for Applicants.

**Q54. Please provide to us information for budgets management on the two partner sides. Who will control budget expenses on the Albanian side during project implementation, we as a lead partner or JTS Elbasan meaning EU?**

A54. In the case of joint project there should be two Lead partners, and each Lead Partner is responsible for the financial management of the grant he is signing with the respective Contracting Authority.

**Q55. Is it possible and under which conditions, for a Municipality unit from village Tashmarunishta to be an applicant for a project?**

**The project will treat reconstruction of the cultural monument Kladenec in village Tashmarunishta, the municipality of Struga, through construction of supporting walls,**

**pave with natural stones, reconstruction of the pool, planting trees, setting benches, arranging natural platform). According to our free estimation, it would cost around 10,000 euro. With reconstruction of this cultural monument event “Komitski evenings” could be re-established where poets from Macedonia and Albania could participate, and particularly from brother towns Struga, Pogradec and Korca. With re-establishment of this event a cultural bridge for cooperation with our neighbours from Albania will be set up.**

A55. Section “2.1.1 Eligibility of Applicants: who may apply” of the Guidelines for Applicants establishes all of the eligibility criteria for the Applicant. If the “municipality unit” is fulfilling these criteria, it may apply as an Applicant. The partnership rules and criteria are set out in section 2.1.2.

Regarding the eligibility of actions, please consult the Guidelines for Applicants, section 2.1.3, “type of actions”.

Regarding the budget, please note that the minimum size of a grant is 20 000 Euros (without the co-funding to be provided by the applicants).

Any type of works is eligible as long as it fulfills the condition mentioned in section 2.1.3, in “types of actions”

**Q56. I would appreciate if you could confirm that a non-profit organization that has already applied for Cross Border Program: ALBANIA – MONTENEGRO 2007-2013 - IPA 2007 Annual Allocation, is still eligible to apply for IPA Cross border cooperation program between the Republic of Macedonia and Albania under the 2007 annual allocation.**

**If so, can the same applicant get funds [contracted] for different actions to be implemented under different CBC Programs [Montenegro and Macedonia]?**

A56. An applicant can participate in more than one CBC programmes. Please consult Article “2.1.1 Eligibility of Applicants: who may apply” of the Guidelines for Applicants and Article “2.1.3 Eligible actions: actions for which an application may be made” of the Guidelines for Applicants.