



EUROPEAN UNION

Delegation of the European Union to Bosnia and Herzegovina

Corrigendum No.2

CIVIL SOCIETY FACILITY PROGRAMME 2012
Reference No: EC/BIH/CFP/012/002; EuropeAid/132-796/L/ACT/BA

1. Special conditions, article 7.2.1, is corrected and reads now:

7.2.1 By derogation from Article 14.2, Article 14.6 and Article 14.7 of annex II, the following costs shall not be considered eligible:

- taxes, including value added taxes;
- customs and import duties, or any other charges;
- purchase, rent or leasing of land and existing buildings;
- fines, financial penalties and expenses of litigation;
- second-hand equipment;
- bank charges, costs of guarantees and similar charges;
- conversion costs, charges and exchange losses associated with any of the
- component specific euro accounts, as well as other purely financial expenses;
- contribution in kind;
- any leasing costs;
- depreciation costs;
- debts and debt service charges;
- provisions for losses or potential future liabilities;
- interest owed;
- costs declared by the beneficiary and covered by another action or work programme;
- credit to third parties.

2. The provision which relates to ineligible costs of Guidelines for grant applicants, article 2.1.4, is corrected and reads now:

Ineligible costs:

The following costs are not eligible:

- taxes, including value added taxes;
- customs and import duties, or any other charges;
- purchase, rent or leasing of land and existing buildings;
- fines, financial penalties and expenses of litigation;
- second-hand equipment;
- bank charges, costs of guarantees and similar charges;
- conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial expenses;
- contribution in kind;
- any leasing costs;
- depreciation costs;
- debts and debt service charges
- provisions for losses or potential future liabilities;
- interest owed;
- costs declared by the beneficiary and covered by another action or work programme;
- credit to third parties.

3. Annex III of the Call for Proposal Dossier – Budget for the Action is corrected and reads now:

Budget for the Action¹

Costs	All Years				Year 1 ²			
	Unit	# of units	Unit rate (in EUR)	Costs (in EUR)	Unit	# of units	Unit rate (in EUR)	Costs (in EUR)
1. Human Resources								
1.1 Salaries (gross salaries including social security charges and other related costs, local staff) ⁴								
1.1.1 Technical	Per month				Per month			
1.1.2 Administrative/ support staff	Per month				Per month			
1.2 Salaries (gross salaries including social security charges and other related costs, expat/int. staff)	Per month				Per month			
1.3 Per diems for missions/travel ⁶	Per diem				Per diem			
1.3.1 Abroad (staff assigned to the Action)	Per diem				Per diem			
1.3.2 Local (staff assigned to the Action)	Per diem				Per diem			
1.3.3 Seminar/conference participants	Per diem				Per diem			
Subtotal Human Resources								
2. Travel⁶								
2.1 International travel	Per flight				Per flight			
2.2 Local transportation	Per month				Per month			
Subtotal Travel								
3. Equipment and supplies⁷								
3.1 Purchase or rent of vehicles	Per vehicle				Per vehicle			
3.2 Furniture, computer equipment								
3.3 Machines, tools...								
3.4 Spare parts/equipment for machines, tools								
3.5 Other (please specify)								
Subtotal Equipment and supplies								
4. Local office								
4.1 Vehicle costs	Per month				Per month			
4.2 Office rent	Per month				Per month			
4.3 Consumables - office supplies	Per month				Per month			
4.4 Other services (tel/fax, electricity/heating, maintenance)	Per month				Per month			
Subtotal/Local office								
5. Other costs, services⁸								
5.1 Publications ⁹								
5.2 Studies, research ⁹								
5.3 Expenditure verification								
5.4 Evaluation costs								
5.5 Translation, interpreters								
5-6 Financial-services (bank-guarantee costs-etc-)								
5.7 Costs of conferences/seminars ⁹								
5.8. Visibility actions ¹⁰								
Subtotal Other costs, services								

Costs	All Years				Year 1			
	Unit	# of units	Unit rate (in EUR)	Costs (in EUR)	Unit	# of units	Unit rate (in EUR)	Costs (in EUR)
6. Other								
Subtotal Other								
7. Subtotal direct eligible costs of the Action (1-6)								
8. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)								
9. Total direct eligible costs of the Action (7+8)								
10. Administrative costs (maximum 7% of 9, total direct eligible costs of the Action)								
11. Total eligible costs (9+10)								
12. Taxes ¹¹								
13. Total accepted¹¹ costs of the Action (11+12)								

- The description of items must be sufficiently detailed and all items broken down into their main components. The number of units and unit rate must be specified for each component depending on the indications provided. Unit rates may, where relevant, be based on average rates. Where the applicable regulation/financing agreement does not exclude the coverage of taxes (see section 1.3 and 2.1.4 of the Guidelines for applicants) and the beneficiary can show it cannot reclaim, taxes will be eligible and should be included in each relevant heading. Taxes that can be reclaimed are not costs.
- This section must be completed if the Action is to be implemented over a period of more than 12 months.
- If the Contracting Authority is not the European Commission, the budget may be established in euro or in the currency of the country of the Contracting Authority. Costs and unit rates are rounded to the nearest euro cent.
- If staff are not working full time on the Action, the percentage should be indicated alongside the description of the item and reflected in the number of units (not the unit rate).
- Indicate the country where the per diems are incurred and the applicable rates (which must not exceed the scales published by the E.C. at the time of contract signature). If information is not available, enter a global amount. Per diems cover accommodation, meals and local travel within the place of the mission and sundry expenses.
- Costs for CO2 offsetting of air travel may be included. CO2 offsetting shall in that case be achieved by supporting CDM/Gold Standard projects (evidence must be included as part of the supporting documents) or through airplane company programmes when available. Indicate the place of departure and the destination. If information is not available, enter a global amount.
- Costs of purchase or rental.
- Specify. Lump sums will not be accepted.
- Only indicate here when fully subcontracted.
- Communication and visibility activities should be properly planned and budgeted at each stage of the project implementation.
- Only to be filled in where the applicable regulation/financing decision/ financing agreement excludes financing of taxes and the beneficiary (or where applicable, its partners) can show it cannot reclaim them. Please see glossary of terms (Annex A 1) of the Practical Guide to contract procedures for EU external actions for the definition of taxes. Please note that direct taxes are not included (such as taxes on salary of staff working for the action which are part of the gross salary). Taxes that can be reclaimed should not be indicated under this heading.

NB: The Beneficiary alone is responsible for the correctness of the financial information provided in these tables.

Justification of the Budget for the Action

Costs	All Years
Clarification of the budget items ¹	Justification of the estimated costs ²
1. Human Resources	
1.1 Salaries (gross salaries including social security charges and other related costs, local staff)	
1.1.1 Technical	
1.1.2 Administrative/ support staff	
1.2 Salaries (gross salaries including social security charges and other related costs, expat/int. staff)	
1.3 Per diems for missions/travel	
1.3.1 Abroad (staff assigned to the Action)	
1.3.2 Local (staff assigned to the Action)	
1.3.3 Seminar/conference participants	
Subtotal/ Human Resources	
2. Travel	
2.1. International travel	
2.2 Local transportation	
Subtotal/ Travel	
3. Equipment and supplies	
3.1 Purchase or rent of vehicles	
3.2 Furniture, computer equipment	
3.3 Machines, tools...	
3.4 Spare parts/equipment for machines, tools	
3.5 Other (please specify)	
Subtotal/ Equipment and supplies	
4. Local office	
4.1 Vehicle costs	
4.2 Office rent	
4.3 Consumables - office supplies	
4.4 Other services (tel/fax, electricity/heating, maintenance)	
Subtotal/ Local office	
5. Other costs, services	
5.1 Publications	
5.2 Studies, research	
5.3 Expenditure verification	
5.4 Evaluation costs	
5.5 Translation, interpreters	
5.6 Financial services (bank-guarantee costs etc.)	
5.7 Costs of conferences/seminars	
5.8 Visibility actions	
Subtotal/ Other costs, services	

		All Years
6. Other		
Subtotal Other		
7. Subtotal direct eligible costs of the Action (1-6)		
8. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)		
9. Total direct eligible costs of the Action (7+ 8)		
10. Administrative costs (maximum 7% of 9, total direct eligible costs of the Action)		
11. Total eligible costs (9+10)		
12. Taxes		
13. Total accepted costs of the Action (11+12)		

1. Provide a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action (e.g. through references to the activities in the Description of the Action).
2. Provide a justification of the calculation of the estimated costs. Note that the estimation should be based on real costs, as described in section 2.1.4 of the Guidelines for Grants Applicants

Expected sources of funding & summary of estimated costs¹

		Amount	Percentage
		EUR	%
Expected Contributions			
EU/EDF contribution sought in this application (A)		<input type="text"/>	
Other contributions (Applicant, other EU Funds or EU Member States etc)			
<i>Name</i>	<i>Conditions</i>		
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Revenue from the Action		<input type="text"/>	
To be inserted if applicable and allowed by the guidelines:			
In-kind contribution		<input type="text"/>	
Estimated Costs			
Estimated TOTAL ELIGIBLE COSTS ² (B)		<input type="text"/>	
EU/EDF contribution expressed as a percentage of total eligible costs ⁴ (A/B x 100)			<input type="text"/>
In case the Basic Act/financing decision/financing agreement exclude financing of taxes and the Beneficiary or (partners) can show it cannot reclaim them:			
Estimated TOTAL ACCEPTED COSTS ³ (C)		<input type="text"/>	
EU/EDF contribution expressed as a percentage of total accepted costs ⁴ (A/C x 100)			<input type="text"/>

1. It is reminded that the figures introduced in the table shall respect all the points included in the checklist for the full application form (part 6 of the full application form)
2. as per heading 11 of the Budget of the Action
3. as per heading 13 of the Budget of the Action
4. do not round, enter percentage with 2 decimals (e.g. 74,38%)

4. Call for Proposal Dossier is supplemented with Annex J – Information on the Tax Regime Applicable to Grant Contracts which is hereto attached together with detailed Instructions on the procedures to be followed mentioned therein.

Other terms and conditions of this Call for Proposal Dossier remain unchanged.

ANNEX J
INFORMATION ON THE TAX REGIME APPLICABLE TO GRANT CONTRACTS
SIGNED UNDER CIVIL SOCIETY FACILITY PROGRAMME 2012
Reference No: EC/BIH/CFP/012/002; EuropeAid/132-796/L/ACT/BA

1. Legal Framework

Taxes concerned by this Annex are indirect taxes such as value added taxes, customs and import duties, other fiscal charges and duties

The European Commission and Bosnia and Herzegovina have agreed in Framework Agreement on the Rules for cooperation concerning EC-financial assistance to Bosnia and Herzegovina in the Framework of the implementation of the assistance under the Instrument for Pre-Accession Assistance (IPA) to fully exonerate the following taxes: indirect taxes such as value added taxes, customs and import duties, documentary stamp or registration duties or other fiscal charges and duties having equivalent effect.

Detailed instructions on procedures to be followed are hereto attached:

* EU Delegation to BiH Note ref. Delbih/FCS/CLB D (2011) 3104 of 04/10/2011

* *ITA Instruction on the procedure for the implementation of customs and tax exemptions in accordance with the Framework Agreement between BiH and the Commission of European Communities on the rules of cooperation regarding financial assistance to Bosnia and Herzegovina within provision of assistance through the Instrument for Pre-Accession Assistance (IPA) as well as Guidelines on application of the instruction on the procedure for the implementation of customs and tax exemptions, ref. 01-02-2- 1675/11 of 25/08/2011 in local language and its translation to English*

It is the grant applicant's obligation to familiarise itself with the generally applicable tax regime, for example by addressing the competent authorities of the relevant administration in the country in which the applicant is established and/or of the beneficiary country or countries.