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## Clarification No. 2

Project Title: The Sarajevo 2014 Programme  
Publication reference: EuropeAid/135-143/L/ACT/BA  
Call for Proposal No: EC/BiH/CfP/13/009

### Question 1:

Are costs of staff assigned to the action (e.g. employees of the municipality) considered a contribution in kind?

In ANNEX II - General Conditions applicable to European Community-financed grant contracts for external actions, under Article 14.5 it is stated "The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget of the Action when paid by the Beneficiary or his partners."

It is my understanding that if the budget requested from the EU amounts to 100,000 EUR than we can count gross salaries of staff assigned to the action (e.g. project coordinator from municipality assigned to the Action) as co-financing and the amount should be at least 10,000 EUR. However, at the info day organized in Banja Luka on 24 December, we were told that even those salaries (regular gross salary of project coordinator from municipality as staff assigned to the Action) are considered as contribution in kind. In fact, we were told that each and every single invoice will be re-funded by the EU in the amount of 90% and that applicant/co-applicant must provide remaining 10% in money and that there is no possibility under this Call for proposals to count as 10% co-financing of the Action regular gross salary of project coordinator from municipality as staff assigned to the Action). We were also told that each programme has different rules and if this programme (this concrete Call) has derogation from the main rule, please make reference to the document stating that, as I could not find anything in the tender dossier.

### Answer 1:

The costs of staff **assigned to the Action** are considered as eligible cost as long as they are in compliance to the criteria for eligibility of costs set in Article 14 of General Conditions.



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Please note that if the employee of the beneficiary appointed as project coordinator will only work 50% of the time in the project, only 50% of the gross salary can be considered as eligible costs. This applies to all types of eligible beneficiaries (NGO, municipality etc...)

Also, please note, contributions in kind mean the provision of goods or services to the grant beneficiary(ies) or affiliated entity(ies) free of charge by a third party. As contributions in kind do not involve any expenditure for a Beneficiary(ies) or affiliated entity(ies), they do not enter in the beneficiaries accounts therefore they are not eligible costs. As the co-financing must also meet the eligibility criteria set out in the general conditions, for the same reasons contributions in kind may not be treated as co-financing.

Regarding the 90% - 10% issue, there is no set structure on the payment of invoices. All costs must be documented and will be subject of verification. Each invoice, salary, etc... will have to be earmarked for the project and cannot be used to justify co-financing in other grants.

The EU grant covers percentage of the total eligible costs of the action that will be set in the grant contract according to the percentage requested in the application and will be a minimum of 50% and a maximum of 90% of the total eligible costs of the action.

### **Question 2:**

On page 5 of the Guidelines for grant applicants, the "purchase of equipment" is not listed among ineligible actions. Please clarify whether "purchase of equipment" is eligible or not.

### **Answer 2:**

Please refer to General Conditions, ARTICLE 14—ELIGIBLE COSTS, Eligible direct costs: Purchase costs for equipment and supplies (new or used) **specifically for the purposes of the Action**, provided that ownership is transferred at the end of the Action when required in Article 7.5 of the General conditions. Please note that in-line with article 14.1.c) of the general conditions, costs must be necessary for the implementation of the action.

### **Question 3:**

On page 7 of the Guidelines for grant applicants it is stated that "If any of the applicants or affiliated entity(ies) is in receipt of an operating grant finances by the EU, it may not claim indirect costs on its incurred costs within the proposed budget for the action"



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If our organization is currently implementing two IPA cross-border programmes financed by the EU, does this mean that we cannot budget 7% indirect costs in this proposal?

**Answer 3:**

As stated in the PRAG, a grant is a financial donation/non-commercial payment by the Contracting Authority from the Union budget or the EDF given to a specific grant beneficiary to finance:

- either an action intended to help achieve a Union policy objective (Action Grant);
- or the operation (i.e. the running costs) of an entity which pursues an aim of general European interest and supports a European Union policy (Operational Grant).

Grants to be awarded under this Call are action grants. At the same time, grants awarded under IPA Cross Border programmes are action grants too, so the above stated provision is not relevant in this case.

However, please also refer to the list of ineligible cost, listed on page 8 of the Guidelines for grant applicants, in particular: costs declared by the Beneficiary(ies) and financed by another action or work programme receiving a Union grant. This means that the same cost cannot be charged to two different actions regardless of the source of funding (EU grant and co-financing)

**Question 4:**

Can informal groups be co-applicants?

**Answer 4:**

Please refer to Guidelines for grant applicants for this Cfp, Section 2.1.1 Eligibility of applicants (i.e. applicant and co-applicant(s)), in particular: In order to be eligible for a grant, the applicant **must be legal persons**. Co-applicant(s) must satisfy the eligibility criteria as applicable to the applicant himself.

**Question 5:**

Is it better and possible for Bosnian association to be applicant (I think that is YES)? We just have this problem that usually Bosnian associations pay taxes and not in France, but I think applicant must in any case ask for a certificate to be tax-free.



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**Answer 5:**

For eligibility rules please refer to Guidelines for grant applicants for this CfP, Section 2.1.1 Eligibility of applicants (i.e. applicant and co-applicant(s)). Further on, at least ONE (1) organization (among applicants and co-applicants) must be established in Bosnia and Herzegovina but it is up to grant applicants to determine the composition of the partnership and their role in the project.

Also please note that taxes, including value added taxes are ineligible cost under this Call for Proposals. For more information please refer to ANNEX J, published as part of the Call for Proposals dossier.

**Question 6:**

Is it better French group applies (be Coordinator) and Bosnian is co-applicant?

**Answer 6:**

Please see answer 5.

**Question 7:**

Are other co-applicants suitable as they are not associations? How many?

**Answer 7:**

For eligibility please refer to Guidelines for grant applicants for this CfP, Section 2.1.1 Eligibility of applicants (i.e. applicant and co-applicant(s)). Co-applicant(s) must satisfy the eligibility criteria as applicable to the applicant himself.

The applicant (only one) must act with co-applicant(s). The minimum number of co-applicants is ONE (1) and there is no max number of co-applicants. Further on, at least ONE (1) organization (among applicants and co-applicants) must be established in Bosnia and Herzegovina.

**Question 8:**

Do the activities must take place only in Sarajevo or they can take place in other BiH towns?

**Answer 8:**

Please refer to Guidelines for applicants, section 2.1.4. Eligible actions: actions for which an application may be made, Location: Actions must take place in Bosnia and Herzegovina.



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**Question 9:**

As I understood application, this can be for a cultural project including some education actions and a real show on stage, giving visibility to action. Is it right?

**Answer 9:**

Please refer to Guidelines for grant applicants, section 2.1.4 Eligible actions: actions for which an application may be made (types of actions and types of activity). Please also refer to Section 2.2.4. Further information about Applications of the Guidelines for Applicants which states: "To ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of an applicant, affiliated entity(ies), an action or specific activities."

**Question 10:**

I don't understand amount of the grant (first it is said not more than 250 000 € and not less than 100 000€, then on page 7-" it cannot be more than 60 000€' but is that per applicant???)

In that grant, is payment of artists included?

**Answer 10:**

Any grant requested (amount requested from the Contracting Authority) under this Call for Proposals must fall between 100,000.00 and 250,000.00 EUR. Further on, any grant requested (amount requested from the Contracting Authority) under this Call for Proposals must fall between 50% and 90% of the total eligible cost of the action.

The EUR 60,000 refers to the simplified cost option. For more information please refer to Guidelines for grant applicants, section 2.1.5. Eligibility of costs: costs that can be included where it is stated: "The total amount of financing on the basis of simplified cost options that can be authorized by the Contracting Authority for any of the applicants individually (including simplified cost options proposed by their own affiliated entities) cannot exceed EUR 60 000 (the indirect costs are not taken into account)".

All costs not pre-determined as non-eligible and that meet the eligibility criteria set in the general conditions are eligible.

**Question 11:**

First applicant must register on PADOR, but need co-applicants too?



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**Answer 11:**

As stated in Guidelines for grant applicants, section 2.2 HOW TO APPLY AND THE PROCEDURES TO FOLLOW: Prior registration in PADOR for this Call for Proposals is obligatory. Registration is obligatory for all applicant, co-applicant(s) and affiliated entity(ies).

**Question 12:**

In the guidelines for Sarajevo 2014 Program, it is not stated that works or reconstructions are ineligible for funding. However, on the presentation which had been held in Sarajevo and which I have attended a presenter said that the reconstruction works are ineligible. Could be so kind and tell everyone which of the documents prevails, is it the Guidelines for Sarajevo 2014 or the Power point presentation?

**Answer 12:**

Applicants must follow the published guidelines, annexes to the guidelines and any subsequent clarifications to the call for proposals.

Please refer to General Conditions, ARTICLE 14—ELIGIBLE COSTS (Cost eligibility criteria). In-line with article 14.1.C of the general conditions, costs must be necessary for the implementation of the action.

Please also refer to Guidelines for grant applicants, section 1.2 Objectives of the programme and priority issues and section 2.1.4 Eligible actions: actions for which an application may be made (types of actions and types of activity).

**Question 13:**

According to GfA Section 2.1.1. Eligibility of Applicants “cultural actors”, museums and theaters as public institutions are financed from cantonal and municipal budget.

Is the cost of museums and theaters staff assigned to the Action eligible cost in accordance with Annex G, Article 14?

**Answer 13:**

The costs of staff assigned to the Action are considered as eligible cost. See answer 1.

**Question 14:**

In the balance (i.e. the difference between the total cost of the action and the amount requested from the Contracting Authority) that must be financed from sources other than the



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European Union Budget or the European Development Fund, can the applicant include an in-kind contribution, consisting in the administrative work of the applicant's staff?

Furthermore, can the applicant include a second in-kind contribution, consisting in its experts work for the project concept and framing?

**Answer 14:**

Please refer to General Conditions, under Article 14.5. it is stated “The cost of staff assigned to the Action is not a contribution in kind and may be considered as co-financing in the Budget of the Action when paid by the Beneficiary or his partners”.

Also, please note, contributions in kind mean the provision of goods or services to the grant beneficiary(ies) or affiliated entity(ies) free of charge by a third party. As contributions in kind do not involve any expenditure for a Beneficiary(ies) or affiliated entity(ies), they do not enter in the beneficiaries accounts therefore they are not eligible costs. As the co-financing must also met the eligibility criteria set out in the general conditions, for the same reasons contributions in kind may not be treated as co-financing.

See also answer 1.

**Question 15:**

Point 2.1.6. Budget - Contributions in kind: Can salaries of the applicant and co-applicant organizations be included in the budget? The call only talks about contributions in kind of third parties. If so, is it possible to insert lines into the budget sheet to indicate the salaries (or parts of them) of the persons in question?

**Answer 15:**

Please refer to answers 1 and 14 above.

**Question 16:**

Point 2.1.7. Applicant's experience: If the project mentioned has a long list of donors (overriding the maximum 1-page-rule per project), does it suffice to mention the main donors and partners and mentioning the rest as "other"?

**Answer 16:**

Yes.



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**Question 17:**

Point 3.2.2. Sectors of activity - if the applicant does not have technical knowledge in a given sector (e.g. energy) but has organized conferences on that issue, does that count as an activity in the sector?

**Answer 17:**

Please refer to Section 2.2.4. Further information about Applications of the Guidelines for Applicants which states: "To ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of an applicant, affiliated entity(ies), an action or specific activities."

**Question 18:**

Point 3.3.3. Resources - for all questions, the explanations in PADOR and the PADOR FAQ do not give enough information.

- a) What does the field "net earnings" refer to? Would it be possible to have the German equivalent for it ('Jahresgewinn' / net profit)?
- b) What does the field "balance sheet" refer to? Would it be possible to have the German equivalent for it ('Vereinsvermögen' / assets)?
- c) Medium and long term / Short-term debt: these points are referred to as "debt" but the explanations talk about an organization's liabilities - are they the applicant's liabilities to third parties or third parties' liabilities to the applicant? Does funding that might have to be reimbursed if it is not used up entirely qualify as medium and long-term debt?

**Answer 18:**

All questions related to registration in PADOR should be addressed to the PADOR helpdesk at: [Europeaid-pador@ec.europa.eu](mailto:Europeaid-pador@ec.europa.eu).

**Question 19:**

Do the mandates of co-applicants have to be numbered pages of the application or can they be filled out as individual pages and included in the application file together with other supporting documents?





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**Answer 19:**

Mandates of co-applicants can be included in the application as separate documents.

**Question 20:**

Would it be allowed, within the project, to implement part of the activities outside BiH borders, if such an activity is financed with means that were not a part of the EU grant?

**Answer 20:**

Activities taking place outside BiH are ineligible regardless of the source of their funding as they are part of the overall action (project).

**Question 21:**

Is the Applicant obliged to submit the following documents when submitting the application before 21 January: Statuti i rješenja o registraciji podnosilaca i povezanih entiteta; Ovjereni bilans uspjeha i stanja za prethodnu finansijsku godinu; Obrazac pravnog entiteta LEF – original; Finansijska identifikaciona forma FIF – original as indicated in the presentation for info sessions, since these are not included in the checklist of the application form.

**Answer 21:**

Please refer to Guidelines for grant applicants section 2.4. SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS, where it is stated: “An applicant that has been provisionally selected or placed on the reserve list will be informed in writing by the Contracting Authority. It will be requested to supply the supporting documents in order to allow the Contracting Authority to verify the eligibility of the applicant, (if any) of the co-applicant(s) and (if any) of their affiliated entity(ies)”.

**Question 22:**

As for the specific objective of the Call: we kindly ask for the precise translation in local language of the specific objective in its full form.

**Answer 22:**

Please note that the language of the procedure is English so no translation into local languages is available.



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**Question 23:**

Please clarify the issue of private donors to the project implementation activities? Namely, purchase of vehicles is not eligible cost. But what if a car dealer or some other private entity allows use or donates vehicles for implementation of the project? Does it need to be specified in the Budget? Also, in return such a private donor may in return expect to be granted use of a Delegation or a Project Logo and such. Do you have a policy on that?

**Answer 23:**

The situation presented is in-line with the definition of contributions in kind which is the provision of goods or services to the grant beneficiary(ies) or affiliated entity(ies) free of charge by a third party.

As contributions in kind do not involve any expenditure for a Beneficiary(ies) or affiliated entity(ies), they do not enter in the beneficiaries accounts therefore they are not eligible costs. Contribution in kind may not be treated as co-financing. However, if the description of the action as proposed includes contributions in kind, the contributions have to be made.

Regarding specification of contribution in kind in the budget, this should only be done when contribution in kind would be accepted as co-financing which is not the case for this call.

For visibility issues please consult article 6 of the general conditions. Note however, that private donor cannot be granted any rights to use the EU/project logo.

**Question 24:**

Shall we plan the budget for per diem for the (local) project staff according to the European standards, or according to the local legislation? Namely, according to domestic legislation any amount paid for per diem which would be above domestic legislation (which is 25 BAM per day for in-country) is taxable! Since no tax costs are eligible, that prevents us to plan per dies according to European (or int'l project's) standards. Please confirm or clarify.

**Answer 24:**

Please refer to article 14.2 b) of the general conditions where it states that "*Travel and subsistence costs for the staff and other persons taking part in the Action*", are eligible "provided they do not exceed those normally borne by the beneficiary(ies) nor the rates published by the European Commission at the time of such mission"



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**Question 25:**

Is the following situation acceptable: an applicant/co-applicant allows part of their office premises (i.e. two offices) to be used for project operations with no charge (not the in-kind contribution, nor cost-share), while the costs for communication, heating (for these particular premises) and consumables for project activities are reimbursable 100% from the grant?

**Answer 25:**

Please refer to article 14.1 of the general conditions for the cost eligibility criteria. In particular that costs must be included in the budget, necessary for project implementation, identifiable, verifiable and recorded in the accounts of the organization. This means that only communication, utilities and consumables costs directly attributed to the implementation of the action will be considered as eligible.

**Question 26:**

A Ministry or a Municipality which declares in written its support to the project proposal and which will have no involvement in the project execution or costs - shall we treat them as "affiliated entity" or "associates"?

**Answer 26:**

Please refer to Guidelines for grant applicants, Section 2.1.2. Affiliated entities (in particular the eligibility criteria for affiliated entities) and Section 2.1.3. Associates and Contractors. It is up to the applicant to determine the organizations and their roles in the project proposal.

**Question 27:**

Please clarify the following issue regarding co-financing of the project costs. Which of the following is correct: Does every reimbursable eligible cost incurred during project implementation need to be co-financed with min 10% by the implementers (applicant and co-applicants) - i.e. min 10% of each experts fee, min 10% of office rent, min 10% of purchase of equipment, min 10% of each vehicle lease, min 10% of printing costs for promotion materials...? Or the 10% co-financing is applied to the total budget cost (i.e. that the applicants/co-applicants share is, for instance, in the project staff's salaries up to min 10% whereas some other project costs are incurred without the applicant/co-applicants min 10% share)?



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**Answer 27:**

Please see answer 1.

EU contribution will be applied to the total costs determined as eligible.

**Question 28:**

If we can provide evidence that we are non-profit making civil society, are we eligible to be applicant?

**Answer 28:**

Please refer to Guidelines for grant applicants for this CFP, Section 2.1.1 Eligibility of applicants (i.e. applicant and co-applicant(s)).

Please also refer to Section 2.2.4. Further information about Applications of the Guidelines for Applicants which states: "To ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of an applicant, affiliated entity(ies), an action or specific activities."

**Question 29:**

Is student exchange during one semester period with all covered costs considered as individual scholarship or not?

**Answer 29:**

Please refer to list of ineligible actions listed in the Guidelines for grant applicants, section 2.1.4. Eligible actions: actions for which an application may be made, in particular the bullet point 2: actions concerned only or mainly with individual scholarships for studies or training courses.

Please also refer to Section 2.2.4. Further information about Applications of the Guidelines for Applicants which states: "To ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of an applicant, affiliated entity(ies), an action or specific activities."

**Question 30:**

If one of the activities is to organize a scientific seminar or a conference do we need to state in the application form all the institutions that will be invited and is it necessary for those institutions to be associates? Do we need their statements that they will participate?



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**Answer 30:**

The description of the action should include as much elements as possible to allow for a more objective evaluation (understanding of the action, budgetary implications, etc..) and smoother implementation. Participants do not necessarily have to be associates but if they are then, in-line with 2.1.3 of the guidelines, have to be mentioned in Part B section 6 of the application form.

**Question 31:**

If one of the activities is a cultural contest, can we give money awards?

**Answer 31:**

All eligible costs must meet the criteria laid down in article 14 of the General conditions. In case contests are proposed all the relevant details regarding the rules on participation, selection, award criteria and prizes must be described in detail in the description of the action.

**Question 32:**

If one of the activities is a competition, can we give university scholarships as rewards?

**Answer 32:**

Please see answers 29 and 31.

**Question 33:**

If one of the activities includes group visit to the official institutions like Parliament of BiH or Municipality offices, do we need to have (in the application documentation) their approval or support letter or statement?

**Answer 33:**

Description of the action should contain as many elements as possible in order to demonstrate the feasibility of the activities planned.

**Question 34:**

If we are planning open exhibitions on public places, do we need to have support letter of municipality in the application documentation and do they need to be stated as associates?

**Answer 34:**

Please see answers 30 and 33.



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**Question 35:**

If we are organizing a seminar, we know how many people would be invited, but we don't know the exact number of people that will respond to the call and participate. Do we use minimum or maximum number of expected participants in the cost calculation?

**Answer 35:**

You will use the estimated number of participants as the budget is based on the cost estimation.

**Question 36:**

In Evaluation grid: 1.4 Does the applicant have stable and sufficient sources of finance?

If project needs minimum amount of 100.000 euros, what would be "stable and sufficient sources of finance"? Is in 1.4 evaluated only applicant or applicant and co-applicants?

**Answer 36:**

Evaluators will determine whether the applicant has stable and sufficient sources of funding based on the information presented in the application, in particular section 3.3.3. of the application form.

Criterion 1.4 of the evaluation grid refers to applicant only.

**Question 37:**

Who are going to be evaluators? What nationality? How were they selected?

**Answer 37:**

The evaluation will be done by the Evaluation Committee appointed for this purpose (a Chairperson, a Secretary and an odd number of evaluators). The voting members possess the technical and administrative capacity necessary to give an informed opinion on the proposals.

**Question 38:**

Is it possible that organizations from one entity get all funds?

**Answer 38:**

Applications will be evaluated using the evaluation criteria in the evaluation grid published in section 2.3 of the Guidelines for grant applicants.