



Republic of Serbia

MINISTRY OF FINANCE

Department for Contracting and Financing of EU Funded Programmes (CFCU)

Belgrade, 1/8/2016

CONTRACTING AUTHORITY'S CLARIFICATIONS No. 1

“Durable housing solutions and physical infrastructure improvements in Roma settlements”

Publication ref.: EuropeAid/138222/ID/ACT/RS

No.	Question	Answer
1	What is the payment dynamics after signature of the contract – is there some pre-financing applicable?	According to the Annex II, General Conditions applicable for the EU-financed grant contracts for external actions, Article 15, for actions with an implementation period of more than 12 months and more than 100.000 EUR, initial pre financing payment is 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 Contracting Authority is calculated by applying the percentage set out in Article 3.2 of the Special conditions. (Annex e3h1_speccond_en)
2	Is contribution in land (municipality providing land for construction) eligible cost in this grant scheme?	Contribution in land is considered as "contribution in kind" and as such is not eligible under this grant scheme. Please refer to the Section 2.1.5 of the Guidelines for Applicants, Subsection, Ineligible costs.
3	Is preparation of construction documentation, obtaining of building permits etc. eligible cost under this grant scheme?	Only costs occurring in the implementation of the action are considered as eligible cost. Supporting documentation as listed in the section 2.4 of the Guidelines for Applicants needs to be provided before signature of the contract.

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No.	Question	Answer
4	<p>What can be considered as applicants' co-financing of the action?</p> <p>Are the salaries of civil servants eligible as co-financing?</p>	<p>Co-financing of the action can come from any sources other than the budget of the EU.</p> <p>Please note that according to the Section 2.1.5 of the Guidelines of Applicants, Eligibility of costs: costs that can be included, Eligible direct costs: <i>Salary costs of the personnel of national administrations may be eligible to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the action were not undertaken.</i></p>
5	<p>Do the eligible project costs include VAT?</p>	<p>According to Annex II, General Conditions applicable for the EU-financed grant contracts for external actions, Article 14.2 item g, VAT is not recoverable.</p> <p>Further, please refer to the Annex J, Information on the tax regime applicable to grant contracts.</p>
6	<p>Can water supply project and atmospheric sewerage project be seen as one or as two separate projects under one application?</p>	<p>Please note that in order to ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on an action or specific activities.</p> <p>Further, please note that proposed action may cover one or more eligible activities. The activity is considered to be eligible if it corresponds to the specific and general objectives of this Call for Proposal.</p>
7	<p>Can the grant beneficiary co-financing of min.15% be seen as a cost eligible for payments for supervision works contract?</p>	<p>Co-financing can be realised through any cost corresponding to the eligibility criteria.</p> <p>Please refer to the Annex II, General Conditions applicable for the EU-financed grant contracts for external actions, Article 14, point 14.1 and 14.8 and Article 7 of Special conditions (Annex e3h1_speccond_en).</p>
8	<p>Could non-governmental organizations show its co-financing through its employees' salaries?</p>	<p>Please refer to the answer to the question No.7.</p> <p>Further, please refer to the Section 2.1.5 of Guidelines for Applicants.</p>
9	<p>In case where projects are focused on adaptation of residential buildings is legalization required?</p>	<p>Depending on the proposed activities to be implemented, it is necessary to obtain supporting documentation required in accordance with current legislation prior to the conclusion of the contract.</p> <p>For details, please check Section 2.4 of the Guidelines for Applicants.</p>

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10	Is the application for legalization process, which would include number for legalization, valid as a supporting document?	List of supporting documents which will be required before signature of the contract is presented in the Section 2.4 of the Guidelines for Applicants. Application for legalization process is not listed among the documents.
11	Which documents are needed to make the residential buildings enter a phase of rehabilitation?	Please refer to the answer to the question No.9.
12	In project of resettlement of Roma population to newly established housing project, is the rehabilitation of old Roma settlement eligible cost under the project?	Please note that in order to ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on an action or specific activities The activity is eligible if it corresponds to the objectives of this Call for Proposal.
13	Is it possible to apply as a co-applicant in case organization/legal entity is already co-applicant in another project, under this call for proposal?	Please note that, according to the Section 2.1.4 of the Guidelines for Applicants, under Number of applications and grants per applicants/ affiliated entities: <i>“A co-applicant/affiliated entity may not be the co-applicant or an affiliated entity in more than two (2) applications under this call for proposals.</i> <i>A co-applicant/affiliated entity may not be awarded more than two (2) grants under this Call for Proposals”.</i>
14	Under which conditions can the international organization apply as applicant/lead applicant?	For the status of the international organisations, please check Article 43 of the Rules of application of the EU Financial Regulation, as stated in the Section 2.1.1 of the Guidelines for Applicants. Furthermore, please refer to the Practical guide/PRAG section 6.10.1.
15	Is it necessary to submit a spatial planning/urbanistic documentation in the stage of preparing the application?	Please note that spatial planning/urbanistic documentation is part of the Supporting documentation as listed in the section 2.4 of the Guidelines for Applicants, which needs to be provided before signature of the contract.

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16	Is the proof of ownership required for adaptation of building in case the building is owned by the city or municipality and assigned for use to a another user?	Please refer to the Section 2.4 of the Guidelines for Applicants, point 6, Other supporting documents required (in accordance with Law on Planning and Construction) to be submitted before signature of the contract, b.): <i>Proof of ownership over the properties by the applicant, co-applicant or affiliated entities, and in case of investment in private buildings, proof of ownership and written agreement by the owners allowing investment.</i>
17	Does the co-financing needs to be in cash or it may be the contribution in kind?	For co-financing please refer to the Annex II, General Conditions applicable for the EU-financed grant contracts for external actions, Article 14, point 14.8 and rules laid down in Section 2.1.5 of Guidelines for Applicants, Contributions in kind, which may not be treated as co-financing.
18	Will the infrastructure built be transferred to the municipality or assigned to grant beneficiary?	As defined under this Call for proposal, the future owner of the infrastructure built, is the eligible municipality, which is in addition required to provide necessary financial sustainability for the concerned assets. Furthermore, according to the Guidelines for Applicants, section 2.1.1: <i>"The applicants are specifically noted that provisionally selected candidates will be requested to submit a sworn statement (in free format) by the municipality of the Republic of Serbia, acting as lead applicant or co-applicant, confirming that the ownership over the infrastructure (re)build in the project will be taken-over and maintained by the municipality after the conclusion of the contract. This statement is a part of supporting documentation, fully listed under section 2.4."</i>
19	Is it acceptable to purchase buildings?	Please note, that according to the Guidelines for Applicants, Section 2.1.5, Ineligible costs amongst others, are: <i>„purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred in accordance with Article 7.5 of the General Conditions of the standard grant contract, at the latest at the end of the action“.</i>
20	Can the applicant propose a contractor for works contract?	For the subcontracting procedures, the applicants shall follow the PRAG rules and procedures, as defined by the Annex IV, Procurement by grant Beneficiaries in the context of European Union external actions.

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No.	Question	Answer
21	Is it possible to merge different actions (water supply, sewerage, pavements, etc.) into one project proposal/application?	Please refer to the answer to the question No.6.
22	For how many applications may co-applicant apply?	Please refer to the answer to the question No.13.
23	How long NGO needs to be registered in order to apply as a co-applicant?	<p>According to the Guidelines for Applicants, Section 2.1.1., non-governmental organization (NGO), acting as a lead applicant, must be established in the Republic of Serbia, minimum one year before the launch of this Call for Proposal.</p> <p>Further please note that the co-applicants must satisfy the eligibility criteria as applicable to the lead applicant himself.</p>
24	Is the cost of equipment eligible cost, and what is considered under the equipment?	<p>As defined in the Guidelines for Applicants, Section 2.1.4: <i>“Types of activities which may be financed under this Call for proposal with the aim to improve living conditions for Roma community, may be purchase of equipment with direct link to actions proposed for infrastructure improvements.”</i></p>
25	For how many applications can city municipality apply?	<p>As defined in the Guidelines for Applicants, Section 2.1.4.: <i>“The lead applicant may not submit more than one (1) applications under this Call for Proposals.</i></p> <p><i>The lead applicant may not be awarded more than one (1) grants under this Call for Proposals”:</i></p> <p>Further, please note that:</p> <p><i>“The lead applicant may not be a co-applicant or affiliated entity in another application at the same time”.</i></p> <p>Furthermore, according to the rules set by this call for proposal: <i>“A co-applicant/affiliated entity may not be the co-applicant or an affiliated entity in more than two (2) applications under this call for proposals.</i></p> <p><i>A co-applicant/affiliated entity may not be awarded more than two (2) grants under this Call for Proposal.”</i></p>

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No.	Question	Answer
26	Does the co-applicant need to be registered in PADOR base?	Please note that information in PADOR is not obligatory for this Call for Proposal.
27	Is the number of Roma population relevant for the evaluation of applications?	Evaluation of applications will exclusively be implemented on the basis of evaluation criteria presented in the Section 2.3 of the Guidelines for Applicants.
28	Payments are transferred to lead applicant or it can be transferred to the co-applicant as well?	Payments will be transferred to the Lead applicant. Lead applicant is responsible for further payment of costs of co-applicants in line with the procedures.
29	Is there a recommended proportion of costs as per main budget headings?	Decision on structure of budget is left to the applicants. The rules for eligibility of action and costs need to be fully respected. For details please refer to the Annex e3c_budget_en.
30	What kind of procedures should be used for subcontracting by a grant beneficiary?	Please refer to the answer to the question No.20.
31	Is audit of project accounts necessary? Are project audit expenses included in the budget?	For the information regarding expenditure verification, please refer to the General conditions, Article 15, 15.7. Audit costs are included in the budget for the action under point 5, 5.3 Expenditure verification/Audit. Please refer to the Annex e3c_budget_en, attached to the Annexes to the GfA.
32	May the construction of a container settlement be financed in this competition for housing of Roma?	Please note, that according to the rules set by this Call for Proposal, Guidelines for Applicants, Section 2.1.4, ineligible types of action amongst others, are: <i>“Actions focusing on non-durable housing solutions for Roma families residing in informal settlements, such as purchase of metal containers.”</i>

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No.	Question	Answer
33	Is it possible to apply through the cooperation of municipalities and public enterprises, without the participation of non-governmental organizations, when undertaking the construction of infrastructure?	Please refer to the Guidelines for Applicants, Section 2.1.1 Co-applicants: <i>“If the lead applicant is a municipality of Republic of Serbia, it must act with an NGO or international organisation as co-applicant. Other co-applicants may participate”</i> .
34	May the project duration of 12 - 20 months be extended if the procurement of a contractor is extended?	<p>For the duration of the action, please refer to the Section 2.1.4 of the Guidelines for Applicants, <u>Duration</u>: <i>The initial planned duration of an action may not be lower than 12 months nor exceed 20 months.</i></p> <p>Further, please refer to the Annex II, General Conditions applicable for the EU-financed grant contracts for external actions, Article 11, Extension and suspension.</p>