



**Republic of Serbia**  
**MINISTRY OF FINANCE**

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

**Belgrade, 11<sup>th</sup> October 2024**

**CONTRACTING AUTHORITY'S CLARIFICATIONS**

**1<sup>st</sup> Call for Proposals for the CBC Programme Serbia – North Macedonia under the Instrument of Pre-Accession Assistance (IPA III), allocations 2022 and 2024**

**EuropeAid/182708/IH/ACT/Multi**

No.	Question	Answer
1.	<p>Dear Sir/Madam,</p> <p>We are writing in reference to the Guidelines for Applicants for the Cross-border Cooperation Programme Serbia - North Macedonia. We have a question regarding the eligibility of applicants, specifically about the following requirement:</p> <p>"At least two legal entities in the partnership, one per participating country, being the lead applicant or the co-applicant, must be public institutions that are effectively established and/or have territorial competence for the programme eligible area."</p> <p>Could you kindly clarify what is meant by "public institutions" in this context, and how we are expected to demonstrate their status?</p>	<p>In line with the Guidelines for grant applicants, <b>Section 2.1.1. Eligibility of applicants (i.e., lead applicant and co-applicant(s))</b>, the term "<b>public institutions</b>" encompasses universities, schools, museums, theaters, health centers, as well as ministries, national agencies, regional government units, agencies for local and/or regional development, and local self-government authorities, institutions, and public enterprises as well as other publicly owned or controlled institutions or enterprises.</p> <p>The admissibility of these entities may be demonstrated through their establishment decision, statutes, or relevant legislation confirming their formation.</p>

<p>2.</p>	<p>Dear Sir/s Regarding the Call for Proposals for the Cross border Programme Serbia- North Macedonia, we have a questions:</p> <p>a) Can organizations that are headquartered outside the program area apply, provided that their activities are carried out within the program area?</p> <p>We ask this because the Chamber of Craft Skopje (the lead applicant) and the Museum of the Republic of North Macedonia (the co-applicant) are both based in the Municipality of Char, outside the immediate program area. However, the Chamber of Craft Skopje operates throughout the Skopje region and will implement project activities within the program area. Similarly, the Museum of the Republic of North Macedonia, a national institution, will carry out its planned activities in Kratovo and other municipalities within the program area.</p> <p>b) Is re-granting allowed? (Please, take into account when answering indicator code 31O161 in ANNEX M_CBC INDICATORS_RS-NMK 2.1.1).</p>	<p>a) In line with the Guidelines for grant applicants (GfA), Section 2.2.4 Further information about 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), an action or specific activities”</i>.</p> <p>According to <b>Section 2.1.1. Eligibility of applicants (i.e., lead applicant and co-applicant(s)):</b></p> <p><b>“Lead applicant</b></p> <p>(1) In order to be eligible for a grant, the lead applicant must:</p> <p>...</p> <ul style="list-style-type: none"> <li>• be effectively established in either the Republic of Serbia or the Republic of North Macedonia, <b>and.....</b></li> </ul> <p><b>Co-applicant(s)</b></p> <p><b>The lead applicant must act with at least one co-applicant as specified hereafter.</b></p> <p><b>If the lead applicant is established in the Republic of Serbia, at least one co-applicant must be established in the Republic of North Macedonia, and vice versa.</b></p> <p><b>At least two legal entities in the partnership, one per participating country, being the lead applicant or the co-applicant, must be public institutions that are effectively established and/or <u>have territorial competence for the programme eligible area.</u></b></p> <p><b>The maximum number of co-applicants that could be involved in the action is 3.”</b></p> <p>Based on the abovementioned, organizations that are headquartered outside the program area can apply, provided that all of the eligibility criteria are met.</p> <p>b) In line with the Guidelines for grant applicants <b>Section 2.1.4. Eligible actions: actions for which an application may be made</b></p> <p><u>Financial support to third parties</u></p> <p><b>“Applicants may not propose financial support to third parties.</b></p>
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		<p>In line with the footnote no. 10 in the Guidelines for applicants: <i>These third parties are neither affiliated entity(ies) nor associates nor contractors.</i>”</p> <p>In line with the abovementioned, sub-granting is not allowed under this Call for proposals. Accordingly, indicator code 31O161 in ANNEX M_ CBC INDICATORS_RS-NMK_Result 2.1.1 is not applicable under this Call for Proposals.</p>
3.	<p>Dear Sir/Madam,</p> <p>We need answers for preparation of Concept note on following questions:</p> <p>a) Is registration on PADOR mandatory for lead applicant, co-applicants and affiliated entity?</p> <p>b) Are the values without VAT in the budget?</p>	<p>Please note that PADOR registration form (Annex F) is not mandatory during the submission of the Concept Note.</p> <p>a) In line with section <b>2.2.6 Where and how to send full applications</b> the following is prescribed: <i>“Full applications (i.e., the full application form, the organisation data or PADOR registration form, the budget, the logical framework and the declaration by the lead applicant) must be submitted...”</i></p> <p>In line with the applicable PRAG version (as of 24 June 2022) PADOR is mandatory for Calls for Proposals in direct management. Since this Call for Proposals is launched in indirect management, document Organization data (Annex F in the List of Annexes in Documents to be completed) may be submitted only if impossible to register in PADOR.</p> <p>b) The Guidelines for grant applicants <b>Section 2.1.5. Eligibility of costs</b> states the following:</p> <p><u><i>“Ineligible costs</i></u></p> <p>- <i>value added tax (VAT) except when it is non-recoverable under national VAT legislation”</i></p> <p>Therefore, since VAT/ taxes, duties and charges are not eligible, they shall be excluded in the values presented in the budget.</p>

<p>4.</p>	<p>Dear Mrs./Mr.</p> <p>We intend to apply for your call for proposals with the reference mentioned in the subject of this message and we have three questions about the call:</p> <p>a) Does the lead applicant have to be registered in one of the municipalities mentioned in the Call or can the lead applicant be registered in another municipality if it works on a national level?</p> <p>b) If the answer to the previous question is that the lead applicant has to be registered in the mentioned municipalities, what is the way for our organization as an NGO working on a national level to be included in the application together with another local organization?</p> <p>c) Does the lead applicant have to be a public institution, or can it be an NGO?</p>	<p>a) Please refer to Guidelines for grant applicants, <b>Section 2.1.1. Eligibility of applicants (i.e., lead applicant and co-applicant(s))</b>:</p> <p><b>“Lead applicant</b></p> <p>(1) In order to be eligible for a grant, the lead applicant must:</p> <ul style="list-style-type: none"> <li>• be a legal person, <b>and</b></li> <li>• be non-profit-making, <b>and</b></li> <li>• <u>be effectively established in either the Republic of Serbia or the Republic of North Macedonia, and..... “</u></li> </ul> <p><b>Co-applicant(s)</b></p> <p><b>The lead applicant must act with at least one co-applicant as specified hereafter.</b></p> <p><b>If the lead applicant is established in the Republic of Serbia, at least one co-applicant must be established in the Republic of North Macedonia, and vice versa.</b></p> <p><b><u>At least two legal entities in the partnership, one per participating country, being the lead applicant or the co-applicant, must be public institutions that are effectively established and/or have territorial competence for the programme eligible area.”</u></b></p> <p>b) Please see the answer above.</p> <p>c) In line with the <b>Section 2.1.1. Eligibility of applicants (i.e., lead applicant and co-applicant(s))</b>:</p> <p><b>“Co-applicant(s)</b></p> <p>.....</p> <p><b><u>At least two legal entities in the partnership, one per participating country, being the lead applicant or the co-applicant, must be public institutions that are effectively established and/or have territorial competence for the programme eligible area.”</u></b></p> <p>Therefore, the lead applicant does not have to be a public institution, if at least one co-applicant per each country is a public institution.</p>
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<p>5.</p>	<p>The possibility of combining two expected results under the same specific objective is not explicitly mentioned in the Guidelines for grant applicants - 1st Call for Proposals. However, in Grant application form (Reference: EuropeAid/182708/IH/ACT/Multi) Footnote 2 (page 2 of AF) is stated</p> <p>"Please note that the selection of up to two expected results under the same specific objective could be possible".</p> <p>a) Does it mean that the selection of up to two expected results under the same specific objective are allowed?</p> <p>b) Does it mean that the indicators listed in Annex M CBC INDICATORS_RS-MK Result 2.1.1 / CBC INDICATORS_RS-MK Result 2.1.2) should be combined?</p>	<p>a) In line with the Guidelines for applicants, <b>Section 2.1.4. Eligible actions: actions for which an application may be made:</b></p> <p>“Sectors or themes As stipulated in Section 1.2 above, actions or operations will fall under only one of the following thematic priorities/specific objectives and will have to prove their contribution to attain <b><u>one or more of their intended results...</u></b>”</p> <p>Also, on the page 2 of the Annex A: Grant application form, Footnote no 2 defines that <b>the selection of up to two expected results under the same specific objective could be possible.</b></p> <p>b) If two expected results under the same specific objective are selected, indicators listed in Annex M for both results should be included.</p>
<p>6.</p>	<p>Dear,</p> <p>given your Local publication for call for proposals for Cross-border Cooperation programme Serbia – North Macedonia for 2021-2027 under the Instrument of Pre-Accession Assistance (IPA III), allocations 2022 and 2024, 1st Call for Proposals, and in the context of the point 2.1.1 of the Applicants guide ("- CSOs active in tourism, nature, environment and/or cultural/historical heritage..."), we would like to ask you for further information related to:</p> <p>a) What criteria the CSOs have to fulfill in order to be identified as "active"?</p> <p>b) Whether the Moto Association of Serbia as a national association is eligible for participation as a Lead/project partner in the moto tourism project, since the MSS is the most competente institution in Republic of</p>	<p>a) Eligibility requirement for applicants “CSOs active in tourism, nature, environment and/or cultural/historical heritage” implies that CSOs are registered for activities in this field, or their official acts (e.g. Statute, Establishment Act, etc.) specify that these organizations operate in one or more of these fields.</p> <p>b) In line with the Guidelines for grant applicants, <b>Section 2.2.4 Further information about concept notes</b>, “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), an action or specific activities”.</p>

	Serbia for motorcycling field but not directly operate in the tourism sector?	
7.	<p>Dear,</p> <p>given your Local publication for call for proposals for Cross-border Cooperation programme Serbia – North Macedonia for 2021-2027 under the Instrument of Pre-Accession Assistance (IPA III), allocations 2022 and 2024, 1st Call for Proposals, and in the context of the point 2.1.1 of the Applicants guide ("- CSOs active in tourism, nature, environment and/or cultural/historical heritage..."), we would like to ask you for further information related to:</p> <ul style="list-style-type: none"> <li>• Is it eligible that the goods purchased within the project implementation to be transferred to Associate?</li> </ul>	<p>In line with the Guidelines for applicants, Section 2.1.3 Associates and contractors:</p> <p>“</p> <ul style="list-style-type: none"> <li>• Associates</li> </ul> <p>Other organisations or individuals may be involved in the action. Such associates play a real role in the action but <u>may not receive funding from the grant</u>, with the exception of per diem or travel costs. Associates do not have to meet the eligibility criteria referred to in Section 2.1.1. Associates must be mentioned in Part B Section 6 — ‘Associates participating in the action’ — of the grant application form.”</p> <p>According to the <b>Article 7 OWNERSHIP /USE OF RESULTS AND ASSETS of the General Conditions, Paragraph 7.5, which is a comprising part of this package, the following provision is prescribed:</b></p> <p>“Unless otherwise clearly specified in the description of the action in Annex I, the equipment, vehicles and supplies paid for by the budget for the action shall be transferred to the final beneficiaries of the action, at the latest when submitting the final report.</p> <p>If there are no final beneficiaries of the action to whom the equipment, vehicles and supplies can be transferred, the beneficiary(ies) may transfer these items to:</p> <ul style="list-style-type: none"> <li>- local authorities</li> <li>- local beneficiary(ies)</li> <li>- local affiliated entity(ies)</li> <li>- another action funded by the European Union</li> <li>- or, exceptionally, retain ownership of these items.</li> </ul> <p>In such cases, the coordinator shall submit a justified written request for authorisation to the contracting authority, with an inventory listing the items concerned and a proposal concerning their use, in due time and at the latest with the submission of the final report.</p> <p>In no event may the end use jeopardize the sustainability of the action or result in a profit for the beneficiary(ies).”</p> <p>Based on the aforementioned, it is not eligible that the goods purchased within the project implementation to be transferred to Associate.</p>

<p>8.</p>	<p>Dear Sir/Madame,</p> <p>Regarding the publication of Guidelines for applicants for 1st Call for Proposal Serbia - North Macedonia (IPA III), we kindly ask for following clarification:</p> <p>a) What is considered as additional remuneration which personnel may receive for the engagement in the project activities? Does it mean that overtime work and any additional fee beside regular salary will be accepted as eligible direct costs?</p> <p>b) Section 2.2.2 and 2.2.6 What do you consider under lot number and title which should be written on envelope?</p>	<p>a) Additional remuneration for personnel is prescribed by the governing national legislation i.e. Labor Law.</p> <p>The requirement stated in the GfA refers to the eligibility of additional work i.e. the governing Labor Law prescribes that the employer can conclude a Service Contract (<i>Ugovor o delu</i>) with employees from its own organization only for the purpose of performing tasks that do not belong to employer's basic or predominant activity, without which the implementation of activities on the Project would not be possible.</p> <p>Please note that any overtime work as well as any additional fee over regular salary will not be accepted as eligible direct cost.</p> <p>Additionally, please bear in mind, the following formulation under the <b>Section 2.1.5 Eligibility of Costs: costs that can be included in the GfA/ subtitle Eligible direct cost:</b></p> <p>“The total sum of the salaries of these personnel shall not exceed the total amount of co-financing provided by the applicant, co-applicant(s) and affiliated entity(-ies).</p> <p>When calculating all above, please bear in mind that as per 2.1.5 total costs for Human Resources (Budget Heading 1) and Local Office (Budget Heading 4) must not exceed the 30% of the total eligible costs. ”</p> <p>b) Please note that the terms ‘specific objective’ and ‘lot’ are interchangeable. <b>Instead of: lot</b> <b>Read: specific objective</b></p>
<p>9.</p>	<p>Guidelines for grant applicants - 1st Call for Proposals (Hereinafter: GfA) in section 2.1.1. Eligibility of applicants (i.e., lead applicant and co-applicant(s)) is stated</p> <p>"At least two legal entities in the partnership, one per participating country, being the lead applicant or the co-applicant, must be public institutions that are effectively established and/or have territorial competence for the programme eligible area".</p>	<p>a) In line with the Guidelines for grant applicants, <b>Section 2.1.1. Eligibility of applicants (i.e., lead applicant and co-applicant(s))</b> is stated:</p> <p><b>“At least two legal entities in the partnership, one per participating country, being the lead applicant or the co-applicant, must be public institutions that are effectively established and/or have territorial competence for the programme eligible area.”</b></p>

	<p>a) Does it mean that two legal entities in the partnership, one from Serbia and one from North Macedonia must be public institutions?</p> <p>b) How the legal entity (lead applicant and co-applicants) prove that they are public institutions?</p> <p>c) What documentation is necessary to prove the status of a public institution (e.g. statute or similar document, registration act, decisions on the establishment of the entity, confirmation of the competent public authority, extract from European or National laws with supporting clarification later, etc.)? Please clarify.</p> <p>d) Entities established by public institutions such as public services (јавне службе) may be considered public institutions within the scope of this call for Proposals?</p>	<p>Based on the above stated at least two legal entities in the partnership, one from Serbia and one from North Macedonia <u>must be public institutions</u>, under this Call for for proposals.</p> <p>b) The admissibility of these entities may be demonstrated through their establishment decision, statutes, or relevant legislation confirming their formation.</p> <p>c) Please see the answer above.</p> <p>d) Please see the answer to the question no.1 of the Contracting Authority's clarification.</p>
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