

Frequently Asked Questions

DGTREN/PREP/2008: Call for proposals with a view to obtaining a grant for a preparatory action to promote secure and quality rest areas at the border crossing points between the European Union and the Russian Federation

Disclaimer:

This document only contains generic replies to questions that potential applicants have had in the past or may have regarding the above call DGTREN/PREP/2008. It is only intended for informational purposes. The information contained in this document applies exclusively to questions relative to the call DGTREN/PREP/2008. Under no circumstances can it be relied upon for queries regarding other calls of the European Commission. It is not legally binding and, when need be, the Commission reserves its right to take a different stand if faced with a situation arising from a specific contractual relationship.

A. General questions on applicants

1. Is a public authority eligible to submit an application?

Yes, a public authority is allowed to submit a proposal directly. Only individuals are excluded from these calls.

2. Do I have to involve partners in the proposal? Do they have to fill the application form?

It is not compulsory to involve several partners in the project to be eligible.

If several partners are involved in a proposal, each of them has to provide all the necessary documents requested for the selection and exclusion criteria. Each partner should fill in the part B and C of the application form, as well as the form relative to legal entities.

If a proposal is selected, the main partner must be officially empowered by the other partners to sign the grant agreement and his subsequent amendments on their behalf as well as for himself.

The partners will be considered as contractors and will get the same obligations and rights as the "coordinator" contractor.

3. Can a company from candidate countries or other third countries for this call apply?

On the basis of the eligibility criteria (point 7.1.) published in the call for proposals, applications must be submitted only by legal persons who are established in a Member State EU-27.

4. Can SMEs apply for the grant? If so, in what way?

As stated in point 7.1. of the notice of call for proposals, any legal person of the enlarged Union (Europe 27) are eligible, including SME's.

5. *Can a Public Entity apply ? Should a Public Entity certify its expenses and consult an external audit ?*

Yes. A public entity may apply for a grant. Although point 10 of the notice of call requires an external certification of the accounts, in case of a grant over 500.000 euros, this condition will not be applied to public entities as long as their legal status is clearly proven in the grant application.

6. *We would like to know if a local, regional or national authority can apply for this call*

As stated in point 7.1 of the notice of call for proposals, any legal person of the European Union (EU-27) is eligible, including local or regional authorities.

7. *What is the status of Russian partners? Can they become associated beneficiaries? Could they be subcontracted?*

The criteria for eligibility and selection apply to all co-beneficiaries as well as to applicants. As stated in point 7.1 of the call notice, the applicants, including all partners to be part of the grant agreement, must be "legal persons established in an EU Member State". However, subcontractors can be legal persons established in non-EU countries.

8. *Can a private transport company apply?*

As stated in the Call for proposals (point 7.1), any private undertaking established in one of the Member States of the EU is eligible.

9. *The applicants must have a specific knowledge to apply?*

The applicants have to show the technical and professional capacities specified in point 8.2 of the Call for proposals.

10. *Is this Call for proposals part of the Seventh Framework Programme (FP7)?*

No.

B. General questions on application form

1. *Has the grant application form to be filled out in a particular language or could it be written in any of the official languages of the European Union?*

Any of the EU official language could be used for the answer. However, it must be emphasized that filling in the application form in English helps the Commission services a lot in order to complete the call evaluation on time. It should however be noted that in any cases the reports to be submitted to the Commission in the course of the project, that is once the grant awarded, shall be in English.

2. *We would like to know if the "Grant application form" has to be signed by all the participants (organisation applying for grant and partners organisations) or just by the organisation applying for grant.*

A copy of the declaration by the applicant (point C of the grant application form) has to be signed by each participants applying for the grant. Please note that we should receive at least one original signature from each partner.

- 3. Does the requirement mentioned in section 10 apply to all partners in a joint proposal or is it sufficient if the main partner provides documentation that they exist as a legal person. Do all partners need to provide individual declarations in accordance with the Financial Regulation as mentioned in the application form's section C, or is it sufficient with one for the main partner ?***

The eligible criteria (point 7), the selection criteria (point 8) as well as the general conditions for awarding grants (point 10) apply to all members of the consortium.

- 4. The applicants must complete the whole application form?***

Yes.

C. General questions on procedure

- 1. What are the criteria to fund up to 50% and in exceptional cases 70%? How can I foresee it?***

The percentage of EU support will be defined by the Commission selection committee according to the co-financing need of the project by giving priority to those projects that require the least subsidy in light of the offered European added value. The Commission services will assess the percentage of support needed and may propose to the successful applicant a grant with a reduced aid intensity.

- 2. How many projects will be selected under this call and what are the recommendations in order to know which is the best way to submit a proposal?***

It is not possible to answer such questions since the Commission has to guarantee equal treatment of each applicant. The number of selected projects will depend on their quality and the available budget.

- 3. Are there partners or consortium that I could join to submit a proposal?***

The call procedure supposes that the proposals will be opened by the Commission only after the deadline for submission. It is not possible (nor allowed) to disclose any information about the proposals already sent. If you want to submit a joint proposal, you have to find a partner without the help of the Commission.

- 4. Please indicate how long it takes from the call closure to the decision on financing of selected projects.***

Just after the closing date for the call, the selection process will start and may take from 3 to 4 months. Depending on the ranking of the proposal, the negotiation (if requested) or the contract may start after the administrative process for ordering.

- 5. What commitment from the funders do you need?***

The Commission does not require any formal commitment from the funders. The only information required is a list of the third parties involved with the amount of their financial contribution, which the applicant must provide under point B-4 of the application form, relative to the budget for the operation.

6. What tasks can be outsourced to subcontractors?

With regards to possible contractors, applicants must comply with point II-9 of the Grant Agreement and General Conditions. Subcontracting is limited, restricted to specific situations and a certain procedure must be followed.

7. Regarding paragraph n. 10, page 9 of the call for proposal and in particular "For actions where the cost to be financed by the Commission exceeds €500.000, the proposal must be accompanied by an external audit report produced by an approved auditor. This report must certify the accounts for the last year available and give an assessment of the financial viability of the applicant. If this report is not submitted, the proposal will be rejected", we would like to raise the following questions:

a) Is it sufficient that the applicant accompany for the proposal provides the financial Statement of the applicant's direct parent company and the audit report of the ultimate parent company including its consolidated balance sheet?

The paragraph cited here requires an "external audit report" of the applicant's accounts for the last year available which gives an assessment of the financial viability of the applicant. However, look also at answer given to question 9.

b) It is not clear to us what "give an assessment of the financial viability of the applicant" means. Could you please give us more information about the meaning of "the financial viability" and about "applicant"?

Financial viability: The applicant must have stable and sufficient sources of funding to maintain his activity throughout the period during which the action is being carried out and to participate in its funding. "Applicant" means the legal entity applying for the grant.

c) Does this report have to be produced by each partner whose costs exceed €500.000?

Each partner has to provide this report when the total requested EC contribution for the action exceeds 500.000.

8. Regarding point "B. INFORMATION ABOUT APPLICANT" of the "GRANT APPLICATION FORM", does the signature have to be made in each page?

Not each page has to be signed.

9. In order to realise the project we apply for, we are in the process of creating a specific company. Unfortunately this new company will not be able to provide its balance sheet for the last financial year for which the accounts have been closed. How could we proceed?

The call for proposal requires amongst other things:

"Applicants must show that they have the financial capacity and operational capability to complete the operation to be supported and must provide their balance sheet for the last financial year for which the accounts have been closed." (Chapter 8.1)

"For actions where the cost to be financed by the Commission exceeds €500.000, the proposal must be accompanied by an external audit report produced by an approved auditor. This report must certify the accounts for the last year available and give an assessment of the financial viability of the applicant. If this report is not submitted, the proposal will be rejected." (Chapter 10)

If newly created company cannot provide these documents it cannot prove its financial capacity to carry out the project unless it can provide such documentation from its mother company which at the same time guarantees the performance of the applicant.

D. General questions on the financing

1. Which is the maximum amount of the budget for the submission of a project?

There is no threshold of the grants to be given for the call. Please note that the total budget available is limited and will not allow giving large grants for the different selected projects.

2. In case of a project with several partners, could the partners' work (hours/day per persons) and costs of infrastructure (works, offices, fax, telephone, pc, etc.) be considered as an eligible partner contribution?

In case of a consortium, the definitions of eligible and non eligible costs are the same for the principal coordinator and for its partners (see budget specification in the grant application form). All the partners are considered as contractors. If there are several partners, the budget must give detail of the expenditures for each participant.

3. Is there a maximum amount of subcontracting costs that can be declared?

Yes. Article II.9 of general conditions of the contract give the conditions of subcontracting which must be "limited". The Commission will make an evaluation of the respect of this condition on a "case by case" basis.

4. Is the budget of projects taken into account for their evaluation? That is to say, would the projects with very high or very low costs be more likely to be rejected? Is there any preference range for the costs of the project? What is the budget foreseen for projects in these fields of activity?

There is no selection criterion based on the budget proposed by the project leader but the "value for money" concept will be duly considered during the evaluation process.

5. Is there a list of the financial institutions recognised by the European Union to issue the financial guarantee required for pre-financing? Where can I get it?

The Commission has no such list. Any reputable financial institution will do.

6. Is it possible to obtain grants for projects already co-financed by the European Commission or national and regional authorities?

According to Art. 111, paragraph 1 of the Financial Regulation applicable to the general budget of the EC, one action may give rise to the award of only one grant from the Community budget to any one

beneficiary. A "project" may encompass however distinct "actions". We would recommend always informing the Commission together with the application.

7. *I wonder if the percentage of EU support for public entities is also limited to 50 or 70 %? Other funding programmes foresee sometimes up to 100 % funding for public entities.*

As stated in point 4 of the call notice, "The grants are intended as incentives" and the Commission "plans to grant only funds which are complementary and subsidiary to contributions made by the beneficiary, the national, regional or local authorities and other bodies".

As far as this call is concerned, the status of the applicant, whether a public entity or a private body, is not taken into consideration to determine the percentage of EU support granted.

This percentage of EU support will be defined by the Commission selection committee, within the limits defined in point 4, according to the demand expressed in the proposals, the available budget and the interest of the proposal. If several proposals offering a good European added value, the percentage of support may be reduced in order to support as many projects as possible.

8. *Are partners allowed to identify eligible indirect costs, or should they use a flat rate? Is it possible to calculate the eligible indirect costs with a percentage of the personnel costs, in so far as the accounting system, and especially the use of a cost accounting system, permit to evaluate this percentage?*

Indirect costs are also known as overhead expenses or general costs. As far as this call is concerned and according to article II.14.3 of the Grant Agreement, the eligible indirect costs have been defined as an amount not exceeding 7% of all eligible direct costs (refer to part 2.A1 of the application form, relating to the estimated total budget).

9. *Are additional investments different from the security material equipment or immaterial (software, etc.) also eligible if they are also necessary for the project, such as: investments on complementary services for the users, landscaping and land transformation & engineering works, signalization, etc.?*

Costs of equipment and for the works which are exclusively and directly linked to the preparatory action are eligible. See also Article II.14 eligible costs of the Grant Agreement.

10. *Are costs of staff costs WITHOUT overhead?*

The application form and article II.14.2 of the model grant agreement state staff costs: "that the eligible direct costs include costs of staff assigned to the action, comprising actual salaries plus social security charges and other statutory costs included the remuneration, provided that this does not exceed the average rates corresponding to the beneficiary's usual policy on remuneration".

11. *Partners cannot charge indirect costs (overheads on staff costs)?*

According to article II.14.3 of the model grant agreement a beneficiary can charge indirect costs up to 7% of direct eligible costs.

12. *What percentage EU will reimburse from the total costs?*

For the specific call with the reference TREN/PREP/2008, the EU co-financing rate can go up to 50 % and in exceptional cases up to 70 %.

13. Do you have any information and documents in other language version than English about this proposal?

Not for the time being.

14. Is it possible to have information about consortia that are also looking for partners for this current call for proposals?

For reasons of confidentiality and equality of treatment the Commission cannot provide any information to third parties during the selection and award procedure.

15. What are the rules that a parking must observe to be qualified as "safe parking"?

According to the Call for proposals (Point 5): "A secure rest place provides an appropriate number of secure parking slots which are equipped with security means adequate to the specific risk assessment of the parking area concerned."

16. What are the closing dates for the various grant options? And where and how should I apply?

The closing date for the **Commission** Call for Proposal is 15 October 2008.

17. How many partners are expected in such a project?

There are no limits and no particular recommendation in the number of co-beneficiaries and in the nature of a possible wider partnership.