



Questions & answers from Helpdesk

Implementation of Grant contracts by GBs “Collaborative grant scheme for innovative project ideas”

EuropeAid/162457/ID/ACT/ME

DATE: 29 May 2020

Can we contact the distributors directly when purchasing specific software items (single tender procedures), for which they are official distributors for the whole Balkans, outside the territory of Montenegro (e.g. Serbia and Israel), or is there a restriction related to nationality?

Reply: Yes, it is allowed to contact the distributors directly when purchasing specific software items (single tender procedures) outside the territory of Montenegro (e.g. Serbia and Israel), according to the following rules of nationality and origin stipulated in Annex IV:

Award of procurement contracts is **open to all natural and legal persons of Member State or a country, territory or region mentioned as eligible** by the relevant regulation/basic act governing the eligibility rules for the grant - art. 10 of the IPA regulations (Regulation EU – 236/2014), which are:

- ✓ EU Member States: Austria, Belgium, Bulgaria, Czech Republic, Croatia, Cyprus, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom.
- ✓ IPA II Beneficiaries: Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, Serbia, Turkey, North Macedonia.
- ✓ EEA: (only non-EU MS are mentioned) Iceland, Lichtenstein, Norway.
- ✓ ENI partner countries: Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Republic of Moldova, Morocco, occupied Palestinian territory (oPt), Syria, Tunisia, Ukraine.
- ✓ countries for which Commission has adopted a decision approving the request for reciprocal access to external assistance.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Regarding the rule of origin of procured supplies under the CIR (i.e. not IPA I) **supplies may originate from any country if the amount of the supplies to be procured is below 100.000 € per purchase**, and the Certificate of origin does not need to be submitted - changed rule for IPA II (2014-2020).



DATE: 11 June 2020

We need the information whether in the Single tender negotiation report, point 5 Approval by authorising officer, we should leave that part for the signature of the authorising officer, or do we delete it?

Reply: Single tender negotiation report should be signed by the responsible person (e.g. director), namely the one who has signed the Grant Contract as envisaged in the Template under point 5.

DATE: 25 June 2020

We have question regarding the annexes of evaluation report(c7):

-Technical evaluation grids completed by the individual evaluators, [incl Annex III Technical offer] - Attendance records

Technical evaluation grid is Evaluation grid template? To include technical offer means to attach scanned technical offers from supply tenderer's?

What is attendance record? Since we do not have template for it, can it be free form? Does attendance record should state all present people (evaluators + guests)?

Reply: Technical evaluation grid is Evaluation grid template where marked yellow instructions should be followed: Must be completed by the evaluation committee, Annex II+III Technical specification/Technical offer should be annexed to this grid in the case its columns 'Evaluation committee's notes' have been completed.

In more details, it is advised to fulfil EC notes (last column of the table) in ANNEX II + III: TECHNICAL SPECIFICATIONS + TECHNICAL OFFER according to the template c4f for each received offer and to attach them to the Evaluation grid (fulfilled according to annex c4k while preparing tender documentation).

In the procurement file to be sent to the CA for control together with the financial report, you should attach scanned technical offers from supply tenderer's.

Attendance record can be in free format, prepared for each evaluation session held, indicating the date of the session and the list of participants (evaluators and observers, if any) on the Evaluation Committee meetings together with their signatures.

DATE: 28 September 2020

1. Is it necessary to send (along with the interim report) Timesheets for members of the working team who have had activities on the project but have not yet been paid for them?
2. We saved some funds because we designed and implemented the Website of the project ourselves. In the next phase of the project, the establishment of an indoor IoT laboratory is planned. We noticed that one closet would come in handy, however, we did not plan (in the budget) to buy any furniture. Is this reallocation of funds allowed (from the planned design of the Website to the minimum purchase of furniture)?



3. In the budget we have the planned purchase of data cards, which we realized with a domestic provider, and we pay the costs of this service on a monthly basis. Is it necessary to ask for VAT exemption for these types of services (amounts are small on a monthly basis)?

Reply:

1. In the Interim reports only actual costs which has incurred during the reporting period should be claimed, together with the supporting documents. In that sense, if no costs has incurred regarding the payment of salaries to the project team members, Timesheets do not have to be delivered.

In addition, please note that the staff costs under Budget Heading 1 refer to the expenses incurred for personnel already employed/engaged by the Grant Beneficiary and his partners, which are directly related to project activities. The indication of the salaries in your Grant Contract Budget is only an estimated calculation of the salary costs for each team member. While preparing financial reports **the actual cost of each team member working on the project should be presented as a part of their regular salary, corresponding to the time spent working on the project during the regular working hours. More precisely, the cost of staff assigned to the action, should correspond to actual gross salaries including social security charges and other remuneration-related costs. Performance-based bonuses, stimulation, one-time fees, overtime work and similar are not eligible costs.**

Namely, for each project team member, you have to provide monthly timesheet in order to prove the actual time worked on the project and monthly payslip for each individual with defined gross 2 salary for total work engagement, not only for the project (among other supporting documents). The actual salary cost will be calculated according to the formula:

$$\text{LABOR COST} = \text{Gross II} * \text{Percentage of project work (for each month under the reporting period)}.$$

For a more detailed explanation, please consult the Tool 9 – Guidelines on Financial reporting, available on the link: <http://eesp.me/tools-inovacije>, together with other tools as part of Guidelines for project implementation by Grant Beneficiaries, available on the link of this Grant Scheme: <http://eesp.me/inovacije/>.

2. Under the Article 9 – *Amendment of the contract* of ANNEX II – General conditions of your Grant contract, it is stated the following: “Where the amendment to the budget and/or description of the action does not affect the basic purpose of the action (i.e. Overall Objective and/or Specific Objective), and **the financial impact is limited to a transfer between items within the same main budget heading including cancellation or introduction of an item, or a transfer between main budget headings involving a variation of 25% or less of the amount originally entered** (or as modified by addendum) in relation to each concerned main heading for eligible costs, the coordinator may amend the budget and/or description of the action and inform the contracting authority accordingly, in writing and at the latest in the next report. This method may not be used to amend the headings for indirect costs, for the contingency



reserve, for in-kind contributions or the amounts or rates of simplified cost options defined in the contract.”

In that sense, if there is a proper justification (not only because some funds have been saved), you are allowed to reallocate funds between lines under the same budget heading, or even between two different budget headings (in your example, from BH 5 to BH3) but up to 25% change if we calculate both increase and decrease percentage of change in comparison with original amount of each Budget heading, without Addendum to the contract. The procedure should be done through Notification letter sent to the Contracting Authority. It is advised first to consult the respective project manager in the CFCU, if you are not certain that this change will be accepted/approved.

For more information, please consult part of the **Guidelines for project implementation for GBs** - Grant contract modifications, available on the following link: <http://eesp.me/wp-content/uploads/2020/02/Annex-II-Guidelines-for-project-implementation-by-grant-beneficiaries.pdf>

3. Since VAT is not an eligible cost, it is recommended be proceed with VAT exemption procedure for each procurement/invoice (no matter the value) in order not to have non eligible costs. For each supplier (procurement) on the basis of pro-invoice (profaktura) you should request and receive VAT exemption from the CFCU, who issues 2 originals of certificate – one for the supplier, and one for your files. After receiving the certificate, the supplier issues the invoice without VAT.

DATE: 8 October 2020

Do we have to deliver Timesheets for doctoral students engaged in the project? They are engaged for a period of 14 months, and within Budget heading 6.

Reply: Timesheets of doctoral students engaged in the project under the Budget heading No. 6 do not have to be submitted, but the Engagement Report should be submitted which provides information on the implementation of activities for which the doctoral students were engaged in the reporting period and which must be signed by the doctoral student and the Grant Beneficiary which engaged him/her.

DATE: 9 October 2020

Can the project team members include in their Timesheets for our project the trainings attended that the TA organized on behalf of ICE for the grant beneficiaries support?

Reply: Yes, the attendance on trainings is also considered as work on the project related activities and it can be included in the Timesheets of the project team members which attended those trainings.



1. In the template for the Timesheet at the bottom of the table it is envisaged to include the Total % worked. We are interested if we should enter the envisaged percentage of commitment to the project from the Grant contract Budget or calculate the actual deployment during the month?
2. In the Interim financial report, in the column EXPENDITURE INCURRED - UNITS, should we state the percentage of engagement from the Grant Contract Budget or the average percentage we calculate in the Timesheets for 6 months, depending on the answer to the previous question.
3. In the Interim financial report, in the column EXPENDITURE INCURRED - UNIT VALUE, should we enter the average gross salary paid for 6-months reporting period?

Reply:

1. Monthly timesheet should prove the actual time worked on the project: it has to be provided for each project team member; it must be properly filled out with a description of the tasks carried out within the project and duly signed, both by the team member and the responsible person in the employer institution. Paid leave such as national holidays and vacation must be reported regularly through total number of working hours and clearly specified in the column "description of the task" in the timesheet. In the template for the Timesheet at the bottom of the table the Total % worked is calculated as the actual work on the project during the month, based on the following formula:

Percentage of project work = days or hours of project work/regular days or hours of work for each month in question (monthly fund of hours minus non-working days such as holidays, paid leave and sick leave at the expense of the employer).

2. In the Interim financial report, in the column EXPENDITURE INCURRED - UNITS, the average percentage of work calculated in the Timesheets for 6 months period should be stated.
3. If the salary has been changed in the reporting period in the column EXPENDITURE INCURRED - UNIT VALUE of the Interim financial report, the average gross salary paid for 6-months reporting period to be stated and respective changes to be notified to the Contracting Authority with the corresponding justification.