



*Frequently Asked
Questions
- FAQ -*

*2nd Calls for ordinary project
proposals*



Let's grow up together

Adriatic IPA

Cross Border Cooperation 2007-2013



The Programme is co-funded by the European Union, Instrument for Pre-Accession Assistance (IPA)

Potential applicants will be able to find in this documents answers to some of the questions frequently addressed to the JTS, published into the Programme website, concerning the second Calls for ordinary project proposals.

While JTS do their utmost to avoid any errors or omissions, the answers given are for general guidance and are not to be considered as legally binding. For this reason the reader is encouraged to consult the source documents when these are referred to.

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§. 1. THE PROGRAMME

Question 1.1. What is the IPA Adriatic Cross-border Cooperation Programme?

The IPA Adriatic Cross-border Programme is a cross-border programme co-financed by the European Commission through the Instrument of Pre-accession Assistance (IPA), adopted with the EC Decision C (2008) No. 1073 as amended with Decision C (2010) No. 3780, Decision C (2011) No. 3396 and Decision C (2011) No. 3740.

The Instrument of Pre-accession Assistance (IPA) is the financial instrument established by the European Union to assist candidate Countries (Croatia and Montenegro) to adopt and to implement the full *acquis communautaire* and to assist the potential candidate Countries (Albania, Bosnia and Herzegovina and Serbia) to promote a degree of alignment with the *acquis communautaire* and approximation with the Accession criteria.

The IPA Adriatic Cross-border Programme aims at “*strengthening the sustainable development capacity of the Adriatic Region through an agreed strategy of actions among the partners of the eligible territories*”.

Question 1.2. Which areas are eligible for the IPA Adriatic Cross-border Programme?

The eligible area of the Programme consists of the territories facing the Adriatic Sea. These are identified as NUTS III (or equivalent level) of

- three Member States (Italy, Greece, and Slovenia),
- two Candidate Countries (Croatia and Montenegro),
- three Potential Candidate Country (Albania, Bosnia and Herzegovina and Serbia).

Although not being territorially eligible for the Programme because it lacks of costal area, but taking into account its eligibility in previous INTERREG IIIA NPPA Adriatic Cross-border Programme 2004 – 2006, Serbia participates in the Programme with the whole territory under a phasing out condition until 31st December 2015

The list of the eligible territories is showed in the text of the Calls, paragraph 5, and in the Implementing Manual, sub-chapter 1.1, table 1.1.

Question 1.3. Who is responsible for the management of the IPA Adriatic Cross-border Programme?

The Countries involved in the IPA Adriatic Cross-border Programme have appointed Abruzzo Region as Managing Authority. The Managing Authority is responsible for managing and implementing the Programme in accordance with the Programme and European Regulations.

The Managing Authority of the Programme is the Abruzzo Region of the Italian Republic “*Direzione Affari della Presidenza, Politiche Legislative e Comunitarie Programmazione, Parchi, Territorio, Valutazioni ambientali, Energia - Servizio Attività Internazionali*” and its representative is Ms. Giovanna Andreola.

Question 1.4. Which are the other relevant Programme’s bodies and Authorities?

The Joint Monitoring Committee verifies the effectiveness and quality of the implementation of the Programme. It is responsible for selecting and approving operations.

The Certifying Authority is competent for receiving the payments made by the Commission and transferring them to the Final Beneficiaries.

The Audit Authority is responsible for the functioning of the management and control systems in accordance with the Programme and European Regulations.

The Joint Technical Secretariat assists the Managing Authority and all the other Programme bodies in performing their tasks. It receives and assesses the project proposals. It is the major technical-administrative structure of the Programme.



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Question 1.5. How much funding is available under each Priority in the 2nd Calls for proposals?

The total Programme contribution available for the 2nd Call for proposals under each Priority is broken down as shown in the table below:

| Priority | IPA funds | National (public/private) co-financing | Total Fund |
|--|---------------------|--|---------------------|
| Priority 1 - Economic, Social and Institutional Cooperation | € 23.228.205 | € 4.099.095 | € 27.327.300 |
| Priority 2 - Natural and Cultural Resources and Risks Prevention | € 23.228.205 | € 4.099.095 | € 27.327.300 |
| Priority 3 - Accessibility and Networks | € 23.228.205 | € 4.099.095 | € 27.327.300 |
| TOTAL | € 69.684.615 | € 12.297.285 | € 81.981.900 |



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§. 2. THE CROSS-BORDER PARTNERSHIP

Question 2.1. How many partners have to be involved in a project? Is there a minimum and/or a maximum number?

The minimum partnership for an IPA Adriatic CBC project must involve at least:

- 1 Beneficiary from one EU Member State (eligible territories of Greece, Italy and Slovenia)

AND

- 1 Beneficiary from one Candidate or Potential Candidate Countries (eligible territories of Albania, Croatia, Bosnia and Herzegovina, Montenegro, Serbia).

It is not allowed to have a partnership composed of either only partners from Member States or only from (potential) Candidate Countries.

A maximum partnership has not been established, but all projects needs to consider the geographical balance in a larger partnership. It must be highlighted that a high number of partners may have implication on the efficiency of project implementation particularly on terms of reporting and financial management. In order to optimize the project management, it is recommended to build a partnership with no more than 15 Beneficiaries (included the Lead Beneficiary).

However, an involvement of partners from several Participating Countries is highly recommended, even if Applicants should keep into consideration that high number of partners from more participating Countries does not guarantee the submission of a good project proposal. It is significant to prepare a good project to show the real relation between the specific nature of the project objectives and the nature of partners. It is even important that the right players are involved in the partnership, thus those organizations which can give a contribution relating to the aims and the expected results of the project and have benefit from them so that the project is effectively implemented and able to meet the set objectives.

Question 2.2. What is the minimum number of Countries that should be represented in the partnership?

The minimum number of Countries that should be involved in a partnership is one Member State together with one Candidate Country or Potential Candidate Country. It is highlighted that during the quality assessment of project proposals the assessors will check "*Cross-border character of intervention*" and will give the following scores: 1 point for 2 Countries involved; 2 points from 3 to 4 Countries; 3 points from 5 to 6 Countries, 4 points to 7 Countries, 5 point to 8 Countries.

Question 2.3. Are there any restrictions on certain partnership?

Partnership from only territories covered by other CBC programmes financed with EU funds (i.e. IPA CBC Programme Slovenia and Croatia; IPA CBC Programme Greece and Albania) are not allowed. Therefore partnerships with the involvement of only the regions listed below are not eligible:

- the Obalno – Kraška region (Slovenia) and the Istarska županija and/or the Primorsko–goranska županija (Croatia).
- the Thesprotia and/or the Corfu prefectures (Greece) and the Vlore region (districts of Vlore and Saranda) (Albania).

In order to be considered eligible under the IPA Adriatic CBC Programme, a project with the above-mentioned partnership must involve also at least a Beneficiary either from another eligible Member State or another Candidate or Potential Candidate Country.

Question 2.4. What does Serbia participation under a phasing out condition imply?

Since the independence of Montenegro, Serbia is not anymore geographically eligible to the Adriatic Cross-border Cooperation Programme. However, building on the previous experience of the successful participation of Serbia and Montenegro in the Adriatic New Neighbourhood Programme INTERREG/CARDS/PHARE, a phasing out participation of Serbia in the IPA Adriatic CBC Programme



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has been foreseen, but limited to joint projects in the field of **institutional cooperation** (between universities, research centres, hospitals, some Ministries and cultural institutions, museums, theatres, etc.).

This means that the participation of Serbian Beneficiaries (both as Lead Beneficiary or Beneficiary) is open to all cross-border initiatives and to all kind of actions and activities concerning the institutional cooperation in the specific areas for each relevant Priority as indicated in the following list:

- *Priority 1: Science and Research, Health, Environment, Education, Tourism, Culture, Social Cohesion, Education, Economy and Regional Development, Governance and Public Administration, Sport;*
- *Priority 2: Culture, Science and Research, Environment, Tourism, Governance and Public Administration;*
- *Priority 3: Science and Research, Environment, Economy and Regional Development, Governance and Public Administration.*

In case **Serbian Final Beneficiaries'** participation does not cover at least one of the above mentioned sectors for the concerned Priority, the JMC will reserve the right to reject the whole project, or to require the exclusion of the Serbian Beneficiary from the project partnership.

In case of **Serbian Lead Beneficiary**, if its participation does not cover at least one of the above mentioned sectors for the concerned Priority, the whole project will be rejected.

Additionally, the phasing out condition implies that the expenditures of Serbian Beneficiaries must be incurred and actually **paid at the latest until 31st December 2015**.

Finally, Serbian private organizations having an industrial or commercial character (SME) **ARE NOT** eligible either as Lead Beneficiary or as Beneficiary under the second Calls for Ordinary Project proposals since their participation could not be considered for the aim of "institutional cooperation".

Question 2.5. Can partners located outside the Programme eligible area participate in project proposals submitted under these Calls for proposals?

As general rule, Final Beneficiaries must be national of (and thus have their registered office located in) one of the Programme Participating Countries.

Therefore, Final Beneficiaries who are established (are national of) in **any Country other than the Programme participating countries** **CANNOT** participate in the second Calls for Ordinary projects proposals.

On the other side, Final Beneficiaries whose registered office is located outside the Programme eligible area but **within one of the Programme Participating Countries are eligible** and can participate to projects financed under the second Calls for Ordinary projects proposals, but (some of) their expenditure may not be eligible. In such case, the following situations may occur:

- (a) the Final Beneficiary has a branch office, with at least one year of operation, located in the Programme eligible area;
- (b) the Final Beneficiary has a branch office, with **less than one year** of operation, located in the Programme eligible area;
- (c) the Final Beneficiary has no branch office located in the Programme eligible area.

Case (a): these Final Beneficiaries are considered as located **in the eligible area** and **all their expenditures** (incurred in the Programme eligible area according to the Programme general rule) are eligible.

Cases (b) and (c): these Final Beneficiaries are considered located **OUTSIDE the Programme eligible area** and thus their expenditures will be considered incurred outside the eligible area too (with the exception of those located in the eligible area according to the Programme general rule). In case **the expenditures** planned by those Final Beneficiaries **are necessary** to achieve the project objectives, such Final Beneficiaries will be considered as partners located in the Programme eligible area and all their expenditures **are eligible**; **otherwise**, all the expenditures that are planned to be incurred **outside the Programme eligible area** (according to the Programme general rule) could **not** be considered **eligible**.



When a Final Beneficiary is located outside the Programme eligible area, its participation to the proposals will be subject to a **specific assessment** in order to evaluate whether its participation into the project (and therefore its expenditure) is necessary for the project to achieve its objectives. Circumstances under which a Final Beneficiary is necessary for the project objectives may be:

- the specific expertise of a certain Beneficiary from outside the eligible area is deemed crucial for the project and the expertise cannot be found in the Programme area;
- the cooperation of a certain Beneficiary from outside the eligible area adds value to the project and the benefit accrues within the Programme area;
- the project would not be able to fulfill its objectives without participation of the Beneficiary from outside the eligible area (due f.i. to the fact that these external partner is competent in its scope of action for certain parts of the eligible area, as territorial administrations like Regions or Ministries);
- the participation of the partner enhances the results of the project in a clear and easily justified way.

The need of participation of such Final Beneficiary/ies located outside the Programme eligible area shall be carefully highlighted in the Beneficiary description of the Application Form.

Refer to the paragraph "Location of activities" of the Applicants' Manual (§ 4.4.5.3.) for additional information.

Question 2.6. How can I find partners?

You can look for partners or projects through different means:

- the partners search database of the Programme website, where you can consult projects which are searching partners already uploaded;
- the partners search format of the Programme website, where you can upload your project proposal in order to find partners;
- the Info Points of each participating Country;
- the IPA Adriatic CBC Programme Joint Technical Secretariat;
- other programmes data bases in the relating cooperation area.



§. 3. BENEFICIARIES

Question 3.1. Who is eligible as Final Beneficiary for project application and funding under the 2nd Calls for proposals?

Any institution **having legal personality** can be involved in a project proposal as a Final Beneficiary. In order to be eligible Final Beneficiaries must be nationals of one of the Participating Countries to the Programme and be classified as one of the following:

1. **Public bodies:** national, regional, local authorities and other public bodies, established and governed by public law.
2. **Bodies governed by public law:** pursuant to Article 1.9 of Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004.
3. **Private organizations, including private companies:** any organization (non profit and profit making) established by private law, not falling in the previous categories can be eligible partner and receive IPA funds. Under the 2nd Calls for proposals, profit making organizations mean only Small and Medium Enterprises (SMEs), according to the Commission Recommendation C(2003) 1422. **Serbian SMEs are not eligible as project Beneficiaries.**

Question 3.2. Who can submit a project?

All partners have to choose among themselves a Lead Partner/Applicant who will be the only responsible for collecting information and required documents from other partners, for filling in the Application Form on behalf of all partners and for submitting the project proposal (both on line (through the Programme Management and Information system (M.I.S.) and in hard copy). It will be also responsible for sending additional supporting documents required during the assessment. Application form and/or documents submitted by partners other than the Lead Applicant will not be taken into consideration.

All eligible Beneficiaries can act as the Lead Beneficiary of a project, with the exception of SMEs, that are eligible only as Final Beneficiaries.

Question 3.3. What does “Body governed by public law” mean?

According to Article 1.9 of Directive 2004/18/EC of the European Parliament and the Council (31 March 2004), a ‘body governed by public law’ means any body:

- (a) established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character;
- (b) having legal personality and
- (c) financed, for the most part, by the State, regional or local authorities, or other bodies governed by public law; or subject to management supervision by those bodies; or having an administrative, managerial or supervisory board, more than half of whose members are appointed by the State, regional or local authorities, or by other bodies governed by public law.

All the above mentioned three requirements must be all respected.

Additionally, the criteria at bullet c) of the definition above shall be interpreted in a restrictive sense, which means that:

- 1) more than 50% of the budget of the body has to come from State, regional or local public authority/ies or other body/ies governed by public law as promoter/s, partner/s or stakeholder/s; or
- 2) the management of the body shall be supervised by personnel charged by the bodies described above as controllers or auditors; or



- 3) more than 50% of the members of the board in charge of managing the body or to supervisory the body has to be appointed by a State, regional or local public authority or body/ies governed by public law.

Moreover, the compliance with national public law in the matter of employment and procurement contracts is another criterion that confirm the nature of “body governed by public law”.

Question 3.4. An economic body should be qualified, in the Call as a “Body governed by public law” (if all the requirements are respected) or as a profit private organization (SME)?

According to the Article 1.9 of EC/2004/18 Directive, recalled in the current Calls for Proposals of Adriatic IPA CBC Programme, in order to be considered a body governed by public law, beside the other two requirements, a body must be “*established for the specific purpose of meeting needs in the general interest, not having an industrial or commercial character*”.

Thus any entity which is engaged in an economic activity **cannot** be considered a body **governed by public law**. According to art. 1 of the Commission Recommendation of 06/05/2003 such entities must in fact be considered **ENTERPRISES**.

Question 3.5. Can private organizations participate as partner? And as Lead Beneficiary?

Under the 2nd Calls for Proposals, both non-profit organizations regulated by private law and Small and Medium Enterprises (SMEs) (as defined by the Commission’s Recommendation 2003/361/CE of 6 May 2003) are eligible to apply for IPA funds.

Non-profit private organization can act both as Lead Beneficiary and as Final Beneficiary, whilst profit making organizations (SMEs) are NOT eligible to participate as Lead Beneficiary in projects, but only as Final Beneficiary. Non-profit organizations acting as Lead Beneficiary of a financed project will be required to provide a financial guarantee issued for the total IPA contribution allocated to the project on the basis of the form provided by the Managing Authority.

Serbian Profit-making organizations (SMEs) are not eligible at all under the 2nd Calls for ordinary projects proposals.

Private project partners (profit or non-profit making) will be granted under “de minimis” aid by IPA Adriatic CBC Programme according to the EC Regulation No. 1998/2006, unless they prove that they are **not** acting as private interest undertakings in the project.

Question 3.6. Who is eligible to be Lead Applicant/Lead Beneficiary and which are its responsibilities?

Every partner, with the exception of SMEs can be chosen to act as Lead Applicant/Lead Beneficiary. Partners choose among themselves the Lead Applicant, which must have financial and administrative capacities to perform that role. After the project approval, the Lead Beneficiary will represent the link between the Programme and the partnership. The Lead Beneficiary is responsible for the assignment of the tasks and co-ordination of activities among partners. In other words, the Lead Beneficiary ensures the implementation of the whole operation within the given timeframe and the budget. Lead Beneficiary should appoint (internally) or contract (externally) a project coordinator and a financial manager.

The roles of the Lead Beneficiary can be summarized as follows:

- lays down the arrangements for its relations with the final Beneficiaries participating in the operation in an agreement (Partnership Agreement);
- guarantees the sound financial management of the funds allocated to the operation, including the arrangements for recovering amounts unduly paid;
- is responsible for ensuring the implementation of the entire operation;
- is responsible for transferring the Community contribution to the final Beneficiaries participating in the operation;



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- ensures that the expenditure presented by the final Beneficiaries participating in the operation has been paid for the purpose of implementing the operation and corresponds to the activities agreed between the final Beneficiaries participating in the operation;
- verifies that the expenditure presented by the final Beneficiaries participating in the operation has been validated by the competent First Level Control Offices established in each participating Country.

For teams from different countries working together over long distances it is essential to establish good communication flows, that have to be constant, adequate, clear and timely throughout the project lifetime.

Question 3.7. Can international organization take part in project proposals?

International organizations are **not eligible** either as Lead Beneficiary or as Final Beneficiaries and can participate in a project **only** as Associated partners, not entitled to receive funds from the Programme.

In the meaning of the Programme rules (article 43.2 of Commission Regulation (EC, Euratom) No. 2342/2002) international organizations are:

- a) the international public sector organisations set up by intergovernmental agreements, and specialised agencies set up by such organisations;
- b) the International Committee of the Red Cross (ICRC), the International Federation of National Red Cross and the Red Crescent Societies;
- c) the European Investment Bank and the European Investment Fund.

Question 3.8. Is it possible to form a sort of temporary joint venture to take part in project partnership?

The Beneficiaries that can apply to the Programme calls are:

1. Public bodies;
2. Bodies governed by public law;
3. Private bodies, including SMEs.

Therefore, **only juridical entities** can be granted by the IPA Adriatic CBC Programme.

As the temporary joint venture or temporary consortium of above category of Beneficiaries is not a juridical entity, being only a partnership contract, it cannot be considered an eligible Final Beneficiary for the 2nd Calls for Ordinary project Proposals.

Additionally, considering that **sub-granting is not allowed** under these 2nd Calls for Proposals, a temporary joint venture or consortium, represented by a Final Beneficiary as project partner, cannot benefit of Programme funds.

Question 3.9. What does “registered office” mean?

In order to be eligible for grants in the 2nd Calls for proposals, potential Beneficiaries must be entities with legal personality (under the applicable national law) ESTABLISHED (thus having their registered office) in one of the Programme Participating Countries.

The registered office is the official address of an entity (public or private) where the body or firm is established, where registers and records are normally kept and may be inspected, and where the official correspondence is sent; in other words, registered office is the “Head office”, i.e. legal address of the legal residence of an entity.

Question 3.10. The eligible derogation territories of Bosnia and Herzegovina are Sarajevo Region, North-West Region, and Central Region. Which are the municipalities included in these Economic regions?



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Sarajevo Region: *MUNICIPALITIES:* Breza, Sarajevo Centar, Čajniče, Foča, Ustikolina, Fojnica, Goražde, Hadžići, Ilidža, Ilijaš, Istočna Ilidža, Istočni Stari Grad, Istočno Novo Sarajevo, Kalinovik, Novi Grad, Novo Goražde, Novo Sarajevo, Olovo, Pale, Pale Prača, Rogatica, Rudo, Sokolac, Stari Grad, Trnovo, Trnovo RS, Vareš, Visoko, Višegrad, Vogošća. Further information at: <http://www.serda.ba>

Northwestern Region: *MUNICIPALITIES:* Velika Kladuša, Buižm, Cazin, Bihać, Bosanska Krupa, Krupa na Uni, Novi Grad, Kostajnica, Kozarska Dubica, Prijedor, Oštra Luka, Gradiška, Srbac, Derventa, Doboj, Prnjavor, Laktaši, Čelinac, Banja Luka, Kotor Varoš, Sanski Most, Bosanski Petrovac, Ključ, Drinić, Ribnik, Mrkonjić Grad, Kneževo, Jajce, Šipovo, Drvar, Glamoč, Bosansko Grahovo.

Central Region: *MUNICIPALITIES:* Usora, Doboj Jug, Tešanj, Teslić, Maglaj, Zavidovići, Žepče, Zenica, Travnik, Novi Travnik, Vitez, Kakanj, Busovača, Donji Vakuf, Bugojno, Gornji Vakuf/Uskoplje. Further information at www.rez.ba

Question 3.11. *When can a private profit organization be included in the definition of SME?*

Under the 2nd Calls for proposals for Ordinary Projects profit making organizations mean only Small and Medium Enterprises (SMEs) as defined in the Commission Recommendation C(2003) 1422.

Potential private profit Final Beneficiaries are then suggested to refer to such Recommendation in order to verify whether they are eligible or not under these 2nd Calls for proposals.

Additionally, they are also suggested to provide to the JTS, with their supporting documents, a declaration on qualification as an SME, based on the model provided by the European Commission "Model declaration on the information relating to the qualification of an enterprise as an SME (2003/C 118/03)".

Such model is in no way mandatory as regards its use or content, but is designed as one possible example amongst others. Additionally, such declarations are without prejudice to the checks or investigations provided for under national or Community rules.



§. 4. EXPENDITURES

Question 4.1. Where can I found the Programme Management and Control Manual?

The Programme Management and Control Manual is one of the Programme's documents specifically devoted to the project implementation, mainly to the eligibility of expenditure, their reporting and payment, and, then, is aimed at providing further and/or complementary information on provisions laid down in the IPA Adriatic CBC Operational Programme, in the Implementation Manual and in the Applicants' Manual and the relevant Call for proposals. Specifically, **Chapter 5** of this Manual provides all the explanations concerning project expenditure and applicable rules.

This document can be downloaded from the Programme website in the "Implementation Documents" section.

Question 4.2. Are preparation costs eligible?

Yes, they are, but only for those projects finally approved for funding and for an amount not exceeding 2% of the approved total budget.

They must be clearly identified in the project proposals (costs foreseen in WP0) and show the direct connection to the approved project activities.

The preparation costs must be incurred only for the following activities:

- finalization of the application documents (staff costs and external expertise);
- joint meetings for the preparation of the project (travels, accommodation, meeting and events costs);
- preparatory studies, analysis and researches for activities to be carried on within the project (staff costs, external expertise).

Question 4.3. Are all the expenditures typologies eligible when incurred for the preparation activities?

No, they are not. Overheads, promotion costs, investments, equipments and financial charges costs are not eligible in the preparation phase and in case Beneficiaries fall into the de minimis regime, the preparation costs are not eligible at all.

Question 4.4. Since when costs for preparation activities are meant as eligible?

Preparation costs are eligible if related to activities carried out:

- for Beneficiaries from Member States, from the 1st January 2007 to the day of submission of the project proposal (hard copy submission included),
- for Beneficiaries from (potential) Candidate Countries, from the date of the signature of the financing Agreement between each of these Countries and the European Commission to the day of submission of the project proposal (hard copy submission included).

Question 4.5. Since when costs for implementation activities are meant as eligible?

As general rule implementation costs are eligible from the starting date of the project to its closing date, as defined in the Application form approved by the JMC. However Final Beneficiaries may decide at their own risk to start the project before it will be finally approved for granting, taking into consideration that, at the earliest, implementation costs are eligible from the first day after the closure of the relative Call for proposals, provided that this day is the official start of the project.

The closing date of the project indicates when all the project activities will end, the related expenditures have been all actually paid and the last Progress Report has been submitted to the competent First Level Control Office. This means that the end date stated in the AF will be also the last month within all payments must be done otherwise the related expenditures will not be eligible for reimbursement. It is suggested not to envisage activities in the last month or pretty nearer but to



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reserve a feasible time to make all the payments and close the project (send the last Progress Reports) within the indicated project end.

Question 4.6. When expenditures are considered “incurred” in the Programme eligible area?

As a general rule, expenditures are considered to be incurred in the place where the Final Beneficiary’s registered office or the branch office involved into the project is located. For meeting/event and expenditure in tangible assets (as equipment or investments) the place of location of the meeting/event and of the tangible asset will be instead taken into consideration.

Consequently, according to this rule, the following expenditures will be **considered incurred in the Programme eligible area** if **the Final Beneficiary IS LOCATED** (with the registered office or with a branch office from at least one year) in the Programme eligible area: staff, overheads, external expertise, promotion, financial guarantees and bank charges.

Equipments, investments, meetings and events and travel and accommodation costs will be instead **considered incurred in the Programme eligible area** if the **place where they are located IS** in the Programme eligible area.

Refer to the paragraph “Location of activities” of the Applicants’ Manual (§ 4.4.5.3.) for additional information.

Question 4.7. Are expenditures of Final Beneficiaries located in territorial derogation areas of the Programme eligible and what happens when the limit of the 20% of the amount of the Community contribution to the Programme is reached?

The Programme admits derogations to the territorial eligibility rule for adjacent areas to eligible territories up to the limit of 20% of the amount of the Community contribution to the Programme.

This means that in case this limit is reached, the JMC will not finance, totally or partly, expenditures incurred in territorial derogation areas.

According to the Programme general rule, expenditures are considered to be incurred in the place where the Final Beneficiary’s registered office or the branch office involved into the project is located. By derogation to the abovementioned rule, for meeting/event and expenditure in tangible assets (as equipment or investments) the place of location of the meeting/event and of the tangible asset will be taken into consideration.

Consequently, expenditures incurred by Final Beneficiaries located in derogation areas are considered incurred in the Programme derogation areas, whilst expenditures for meeting/event and for equipment/investments will be instead considered incurred in the place where they are located (thus in derogation areas if located in the place where these Final Beneficiaries are located).

A list of territorial derogations areas - adjacent to the eligible ones - is defined in the Operational Programme (see table 1.1. of the Implementation Manual).

Question 4.8. Is VAT to be considered eligible expenditure? How does it have to be declared?

When actually incurred by Final Beneficiaries (according to the applicable national law), value added taxes shall be eligible if all the following conditions are fulfilled:

- (i) they are not recoverable by any means;
- (ii) it is established that they are borne by final beneficiary; AND
- (iii) they are clearly identified in the “Budget breakdown” form of the project proposal.

Question 4.9. Is there a limit for the Overheads?

The budget line “Overheads” includes **direct general costs** (i.e. costs deriving exclusively from the project) and **indirect general costs** (overheads related to the project’s activities, based on real costs and calculated on a pro-rata basis according to a duly justified, fair and equitable method).



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These costs are related to office costs (i.e. electricity, heating, water, cleaning, office supplies, office rent), administrative costs, (i.e. telephone, fax, internet, mailing..) or other administration expenditure absolutely necessary for the successful completion of the project.

Whilst for direct general costs there's no limit, **indirect overheads cost** charged on the project (independently of the chosen apportionment methodology/ies) **must not exceed 25%** of the total amount of the following project costs:

- Staff costs (with the exclusion of administrative staff expenditure, such as: management costs, recruitment expenses, costs for the general accountant of the institution...);
- Travel and accommodation;
- External expertise;
- Meetings and events;
- Promotion costs;
- Equipment;
- Investments;
- Financial charges and guarantee costs.

Question 4.10. *Is there a budgetary limit for 'External expertise'?*

The Programme has not established a ceiling for the external expertise budget category. As even explained in the Programme Management and Control Manual, these expenses are anyway eligible if within the partnership there are no necessary competences to carry out project activities, the external experts is essential to the project and its charges are reasonable and proportionate to level of experience.

Question 4.11. *Under which budget line shall translation and interpretation expenses be budgeted?*

Translation and interpretation expenses could be budgeted in three different budget lines depending on the aim:

- "Meetings and events" for expenses related to interpretation at events and translation of documents linked to specific events;
- "Promotion Costs" for translation and interpretation costs not linked to specific events, but necessary for the implementation of promotion activities (e.g. translations of promotional project documents);
- "External expertise" when the translation or interpretation is not linked to the other two specific budget lines.

Question 4.12. *Is there a limit for investments, e.g. up to a maximum percentage of the total budget of the project? For construction works that require a specific permission, the subject who issues this permission must be partner of the project or could be even an Associate?*

As the projects should strive for high levels of tangible and strategically relevant outcomes, the Programme can allow the co-financing of investments. Investments can constitute integrated aspects of projects activities, provided these investments have a trans-national character and a potential territorial impact. In order to be eligible, they must be listed and specified in the Budget and show a clear cross-border added value. This cost category refers to two types of costs:

- construction works,
- purchase of land.



Keeping in mind rules of eligibility for investments clearly explained in paragraph 5.3.8. of the Programme Management and Control Manual, for construction works the Programme has not established a ceiling, whilst costs for purchase of land are eligible up to a limit of 10% of the total budget of the project.

In case a valid and legally effective construction permit and/ or other document are required by national law for investment (as for construction works), the owner of the permit must be partner in the project. The concerned Final Beneficiaries must produce the required documents before signing the IPA Subsidy Contract.

Question 4.13. Are bank charges eligible?

Bank charges for opening and managing a bank account expressly opened for the project's purposes are eligible and must be included under the "Financial charges and guarantee costs" budget line.

Any other charge *NOT related* to a bank account specifically opened for the project, must instead be budgeted under the "Overheads" budget line.

The following bank charges costs are *NEVER* eligible:

- stamp duty for the bank statement, as it is a current account holding fee (tax);
- possible charges for current account maximum overdraft (commissions that are charged by the bank on the current account maximum overdraft).

Question 4.14. Is the Italian tax IRAP ("Imposta Regionale sulle Attività Produttive"), eligible?

As a general rule, on the basis of art. 34.3(a) of Reg. (EC) 718/2007 "taxes" are not eligible. Anyway, according to the new approach on co-financing published by the European Commission on the EuropeAid website ("New co-financing approach in grants" - update 30.3.2011), "Taxes" include **indirect taxes** such as value added taxes, customs and import duties, other fiscal charges and duties in beneficiary countries. Taxes in this context **do not include direct taxes, such as income tax of staff working on the action. Such tax form part of the gross salary, which is an eligible cost** under Reg. (EC) 718/2007 and under the IPA Adriatic CBC Programme too.

This being said, as far as concerns IRAP ("*Imposta Regionale sulle Attività Produttive*"), this could be **an eligible expenditure in the limit in which it IS NOT a tax for which the beneficiary is liable in its capacity as a business entity**, since in this case these taxes are not incurred specifically for the implementation of the project. This principle has been clearly explained by the Italian Minister for Economic Development – Department for Development Policies in its communication Prot. N. 0015151-U of 14/10/2009.

Namely, **IRAP is eligible only if all the following conditions are respected:**

1. IRAP is calculated through the so called "*metodo retributivo*" according to art. 10 D.Lgs 15/12/1997 n. 446 and following amendments;
2. The co-financed project entails additional costs for staff, clearly identified, for which the related IRAP's increase is easily identifiable.



§. 5. STATE AID RULES

Question 5.1. What is State Aid under the IPA Adriatic Programme?

The only State aid permitted by the IPA Adriatic Programme is the ones falling into the “*de minimis*” regime, as defined by the EC Regulation 1998/2006. It is permitted with a simply procedure: it is not necessary to notify to the European Commission; it is not necessary to respond to any derogation act. Thanks to its nature of financial aid of little proportion, it is not classified as really State aid, with sensitive impact on markets of the European and Programme area .

Question 5.2. Who has to apply the “*de minimis*” and Legal Status Declaration form?

All Final Beneficiaries have to fill this Declaration, but only who is acting into the project as undertaking (thus as an “*entity engaged in an economic activity, regardless of its legal status and the way in which it is financed*”) has to specify, also, the subsidies in “*de minimis*” regime obtained in the last three financial years (point 8 of the “*de minimis and the Legal Status Declaration*”).

Question 5.3. When activities fall into the “*de minimis*” regime?

Within the domain of competition law, an undertaking is identified as **any entity which exercises an activity of an economic nature and which offers goods and services in competition (actual or potential) with other operators active in the market, carrying out activities of an economic nature, devoted to the production and marketing of goods and services in the market.**

This is a very wide concept of undertaking, that also includes all private and public bodies or firms. Activities carried out within the framework of statutory tasks normally performed by public authorities do not fall within the concept of an undertaking, in view of their non-business purposes and procedures, but in many cases, however, local public or administrative bodies may be considered to be similar to undertakings. When assessing the whole range of activities of these bodies a pragmatic approach that takes into account the activities that will be implemented within the market is required. Waste disposal or treatment, for example, which in the past was the prerogative of local administrations or was provided by them outside the market logic, is now largely considered a business activity with a State aid relevance.

In general, a **private** (profit and no-profit) body has to justify in the Declaration **why it is not acting** in the project as an undertaking and for private (specific) interests, while a **public entity and/or a body governed by public law** has to specify and motivate in the Declaration **if it is acting** in the project as an undertaking and therefore not for public (general) interests.

Question 5.4. How Beneficiaries should calculate the maximum grants permitted?

In order to calculate the amount permitted only the “*de minimis*” aid received from any public institution (local, national or community) during the last three financial year, including the current year, is relevant. The total sum permitted during this period is Euro 200.000. This threshold, following the EC regulations and if the activity is anyway admissible in the IPA Adriatic CBC Programme, is reduced to EUR 100.000 in the road transport sector; to EUR 3.000 in the fishers and aquaculture sectors; to EUR 7.500 in the primary production of agricultural products.

Question 5.5. What happens when the maximum grants permitted to Beneficiaries under the “*de minimis*” regime exceeds the threshold?

If a Final Beneficiary had already benefit from the maximum subsidy permitted under the “*de minimis*” regime, the activity that falls into the “*de minimis*” regime cannot be supported by the public funds of the IPA Adriatic CBC Programme.

The Beneficiary could benefit from the IPA Adriatic CBC Programme public funds, until the grants obtained reach the maximum sum allowed under the “*de minimis*” regime. When an overall subsidy required by a Final Beneficiary acting as an undertaking into the project will exceed this ceiling, that aid amount cannot benefit from the “*de Minimis*” Regulation, even for a fraction not exceeding that



ceiling. In such a case, the benefit of this Regulation cannot be claimed for this aid measure either at the time the aid is granted or at any subsequent time.

To avoid that the fixed threshold will exceed during the project implementation, the Final Beneficiary assignee of the Programme Contribution under the *de minimis* regime shall monitor the total grants registered in its accounting system, which are "*de minimis*" relevant and have been obtained during the project implementation period.

In order to avoid circumvention of maximum aid intensities provided by different Community instruments, the "*de minimis*" subsidy should not be cumulated with State aid in respect of the same eligible costs if such cumulating would result in an aid intensity exceeding the ones fixed in the specific circumstances of each case by a block exemption Regulation or Decision adopted by the Commission.

Question 5.6. Shall a contractor of a Final Beneficiary be subject to the Programme rules on State aid ("*de minimis*" regime)?

Since such **contractors are not beneficiaries of grants** awarded by the Programme, being providers of Final Beneficiaries, they are not subject to the Programme rules on State aid (and thus to the "*de minimis*" regime).

Grants are financial contributions from the Programme to a public or private beneficiary and are based on the reimbursement of the eligible costs, in other words, costs effectively incurred by the Final Beneficiaries according to the Programme rules. Instead, in a procurement contract, the contractor is hired to run products or service in return for payment.

Question 5.7. Can the municipalities be affected by the state aid regime?

The public or private legal status of the Final Beneficiaries is not relevant in this context since even a non-profit organization can be engaged in industrial or commercial activities. The main requirement to consider is the nature of the activities (for general interests or having an industrial or commercial character) that the Final Beneficiary is going to carry out in the project.

Additional information about the state aid and the *de minimis* regime can be found in the Applicants' Manual, section 4.5.1 and in the Programme Management and Control Manual, section 4.4.



§. 6. THE APPLICATION PROCEDURE INTO THE M.I.S.**Question 6.1. What is «Project code» ?**

The «Project code» is the code that enables the identification of each project proposal. When the submission procedures are completed, the M.I.S. will produce the “**Project submission Receipt**”, attesting the submission of the proposal which indicates the assigned project code, the data and time of the submission.

Question 6.2. Where and how can I have access to the M.I.S. to submit my project proposal?

In case you are a Final Beneficiary of an already approved project, you have already the credential to access to the M.I.S.: from the Programme website www.adriaticpacbc.org, by clicking on "Reserved Area" (in the upper right side), login into the System.

In case you are applying for the first time, you have to go to the following address <https://sso.adriaticpacbc.org/gestionale/view/public/pubblicaBando.do> and click on “register” to insert your data and have the credentials (username and password) to access to the M.I.S.

Question 6.3. When I try to access to the M.I.S. a message on insecurity page appear. What can I have do?

In order to provide communication security over the Internet, the Management and Information System uses the HTTPS communication protocol through a SSL certificate issued by an Internet Certificate Authority (InfoCert). Unfortunately, some Internet Certificate Authorities could not be identified by all browsers, and so they will report some problems linked to communication security and/or the SSL certificate. To solve this kind of problems, you can follow the instructions given in the following page: <http://www.adriaticpacbc.eu/certification.htm>

You can anyway click on the “Continue on this website” button in order to proceed without making the registration of the Certification Authority and you will be automatically redirected to the M.I.S. homepage.

Question 6.4. When we insert the text in AF's boxes, it is not fully visible, even if it is perfect visible in the printed file. What shall I do?

Full text can be seen enlarging the box where you are writing in by clicking on the lower right corner of the box and dragging it until the text is fully visible.

Question 6.5. What is the “Beneficiary List”? Can I add only Beneficiary listed there?

The M.I.S. has been developed for all financed projects within the IPA Adriatic CBC Programme. It stores and make at disposal the information concerning the Beneficiaries which are already present in the System itself in order to facilitate the new insertion. However in case the Beneficiary you want to add in your project is not listed, or the name, the legal status and so on are different, you can always add a new Beneficiary, clicking on the “New Beneficiary” button.



§. 7. HOW TO FILL IN THE APPLICATION FORM AND ITS ANNEXES

Question 7.1. In the Project Submission Receipt it is asked to Lead Applicants to declare whether to authorize or not the access to any information reported in the Project proposal. What does this exactly mean?

As required by Article 22 to Article 28 of Italian Law No. 241/1990, any person, included who is entitled to ward the general interests, with direct, current and concrete interests connected with the Project or to any document related to, may require to access to the Project proposal or to any of document related to this proposal or to the procedure of evaluation and selection of projects proposals.

Although and out of case of proceedings needs, it is not allowed to access to such documents when the right of access is excised with the aim to control the Administration activities in a general meaning and when the disclosure of a reserved or confident information or commercial secrets of any of Project partner or of any internal document of the Administration responsible for the evaluation and selection procedure, may breach any personal right or law disposal.

The access of acts shall be complied with the disposals of Abruzzo Regional Law No. 1/2000, whose English text is published on Programme website. A proper form for accessing might be required by email to the JTS.

It is important that by filling in the "Project submission Receipt", required to apply to the relevant Call for Proposals, the Lead Applicant specifies if it authorizes or not the Programme Managing Authority, as responsible of procedure, to disclose to any person entitled to access to the Project file and documents related to.

In case any specification hadn't been provided by the Lead Applicant, the disclosure may be allowed by the Managing Authority under its discretion, in compliance with the European and Italian national rules.

Question 7.2. One of the Project partners is making an economic activity into the project and thus, according to the Programme rules, it has to declare that it is acting "under the de minimis regime" into the Project. Where shall this declaration be made?

The project partners have to declare if they act in the project as undertakings or not, filling in the "de minimis" and legal status Declaration form as well as answering accordingly YES or NO in the box of the de minimis condition in the section of the AF where the description of the Beneficiary shall be done.

It is important that the option indicated in the AF is coherent with what declared in the "de minimis" and legal status Declaration.

Question 7.3. How can the whole structure of the Application Form be seen? Is the Application form available in a word/excel format?

At development project stage, only the Lead Beneficiary (LB) is able to manage the Application form on line registering into the Management and Information System (M.I.S.) and filling in it, since it has the final responsibility to draft and submit the full project proposal.

However all the partners should participate in developing the Application form content. The project should be the results of the combination of the needs and the contributions of all the partners which should agree on the objectives, results, work plan and give to the LB their personal details.

A word/excel model of the Application form is not available. However all partners can know the predefined lengths of each box of the Application form in different ways:

- from the MIS, next to each box the number of available maximum characters is indicated;
- from the *Guidelines for submission of the project proposals through the MIS*, pictures show the boxes present in the Application form and the maximum available spaces for every box.

This been said, the LB may prepare a file word based on the Application form in order to involve the partners in shaping the project proposal content, having tracks of the changes, sharing the content, passing the file at different stages of project development. Finally, the Lead Beneficiary will copy and



paste the agreed text in the Application form on line, checking the respect of the limit maximum character allowed for each box.

Question 7.4. How is it possible to change the periods listed in the table 5.4 of the section Budget of the Application form “Total spending forecast per WP and per period”?

First of all, as indicated on page 31 in the *Guidelines for the submission of project proposals through the MIS*, the periods indicated in table 5.6 ‘spending forecast per WP and per period’ are dynamic and depend on the starting and ending date of your project proposal. This means that after inserting the start and end date of the project in section Details, the spending forecast periods in table 5.6 are generated automatically.

If the start and end date of the project proposal are modified later, the spending forecast periods will be automatically updated.

Lead Applicant should be aware that such changes imply to have a revision of the amount inserted. For example if the initial start-end dates of project are 02 /2013-01/2015, the related periods in table 5.4 will be

01/02/2013 - 30/04/2013, 01/05/2013 - 30/06/2013, 01/07/2013 - 31/10/2013, 01/11/2013 - 31/01/2014, 01/02/2014 - 30/04/2014, 01/05/2014 - 30/06/2014, 01/07/2014 - 31/10/2014, **01/11/2014 - 31/01/2015.**

If you modify the length of the project in 10 /2012 - 08/2014, the periods will be updated as following:

01/07/2012 - 31/10/2012, 01/11/2012 - 31/01/2013, 01/02/2013 - 30/04/2013, 01/05/2013 - 30/06/2013, 01/07/2013 - 31/10/2013, 01/11/2013 - 31/01/2014, 01/02/2014 - 30/04/2014, 01/05/2014 - 30/06/2014, 01/07/2014 - 31/10/2014.

Two new initial spending forecast periods were added and the previous last period was deleted. Thus the budget to be inserted in this table must be revised accordingly the new spending forecasts.

Question 7.5. When should the WP0 end? I have problem in inserting the end date of the WP0, a warning message appears.

For technical reason, the end date of the WP0 is linked to the starting and end date of the project inserted in the 1.7 section of Detail and not to the Calls closing date. Thus in the MIS the end date of WP0 should be the same date of the project starts.

This been said, eligibility rules on preparation costs inserted in WP0 do not change. For more information on eligibility see paragraph 4.4.5.3 of the Applicants’ Manual and section 4 of this FAQ.

We even remind that the starting and ending date of all the other WPs should be between the start and end date of the project.



§. 8. THE PROJECT CONTENT**Question 8.1. How long does a project run?**

The duration (project implementation) of an ordinary project must not exceed 36 months.

Question 8.2. How to calculate the project start date? Is the preparation phase included?

The 'start date' of the project indicates when the project implementation begin and consequently from when the expenses incurred for the project activities are eligible. **Preparation phase** (the one related to the submission of the project proposals for activities such as the finalization of the application documents, the organization of joint meetings, the development of preparatory studies, analysis and researches for activities preliminary to the project) is then **not included** in the calculation of the 'start date'.

The project 'start date' is the date indicated in the Application Form as approved by the JMC. The implementation of the project can start as soon as it is finally selected. Beneficiaries should be aware that the duration of the entire evaluation process depends on the number of applications received and could take about between six or seven months. However, partners may decide at their own risk to start project activities before the project is finally selected for grant provided that this day is the official start of the project. In this case the 'start date' can be at the earliest the day of closure of the reference Call.

Refer to the paragraph "Period of eligibility" of the Applicants' Manual (§ 4.4.5.3.) for additional information.

Question 8.3. Is accounting period included in the 'end date' (project closure)?

The project ends when all activities are completed, the last expenditures have been paid out, and the Final Progress report has been submitted to the competent First Level Control Office. Since the end of the project is also the end of the eligibility of expenditure, the partners should consider also the time necessary to close the project, meaning that the end date stated in the AF will be also the last month within which all payments must be done, otherwise the related expenditures will not be eligible for reimbursement.

Question 8.4. Once approved, when can the project start?

All the planned projects have to be able to start working immediately without the risk of delay. On the understanding that partnership can decide to start project activities before it is approved (as explained in the previous FAQ), the activities must start no later than the official start of the project as defined in the Application Form approved by the JMC (and eventually revised upon request of the MA).

Question 8.5. Will there be a third call for proposals?

It is very likely that a third call for proposals will not be launched, since there are no more funds available for Ordinary projects.

Question 8.6. Are there any limits in number of projects to be submitted as Partner or Lead partner/Applicant?

There are no limits in number of projects to be submitted as Lead partner or as a Partner.



§. 9. PROJECT BUDGET

Question 9.1. *Is there a minimum and/or maximum project budget?*

Yes, the total budget for ordinary projects in the 2nd Calls for Ordinary projects proposals must respect the following thresholds:

- Minimum total budget: 500.000,00 EUR.
- Maximum total budget: 5.000.000,00 EUR.

In case the project does not fulfill the abovementioned financial thresholds, it shall be rejected.

Question 9.2. *Is there a minimum and/or maximum budget par partner?*

Each Final Beneficiary must participate with a minimum of 100.000,00 EUR and cannot receive more than 60% of the total project budget. If partner's budget does not respect these minimum and maximum threshold the project will be rejected.

Partners have to calculate project budget with the "total budget" planning approach. "Total budget" is always 100% of the financial resources needed to implement project activities. It includes the Programme contribution (IPA funds and national co-financing) and, when applicable, any contribution required by the Calls for undertaking activities (in case of "de minimis" subsidies).

Question 9.3. *Under the 1st Call for Ordinary projects proposals private Final Beneficiaries from IPA Countries (Candidate and Potential Candidate Countries) where required to provide the national co-financing with public national sources (throughout a "public sponsor"). Does this rule still apply also for the 2nd Calls for proposals?*

According to the new Commission Decision C(2011) 3396 of 18th May 2011 amending the Decision which approved the Operational Programme, the national co-financing may be provided also with private resources. Consequently, all private partners may cover the national co-financing with their own private resources.

Question 9.4. *May the required co-financing (national co-financing or de minimis contribution to the project budget) consist of contributions in kind? If not, what is eligible?*

Contributions in-kind (such as provision of land or real estate, equipment or raw materials, or unpaid voluntary work) do not represent actual expenditure and, consequently, are not eligible costs and cannot be considered as co-financing by the Beneficiary. Anyway, the cost of staff assigned to the Project is not a contribution in kind and may be considered as co-financing when paid (directly) by the Final Beneficiary listed in the Application Form.

Question 9.5. *May the required co-financing (national or de minimis contribution) consists of contributions in-kind? If not, what is eligible?*

Contributions in-kind (such as provision of land or real estate, equipment or raw materials, or unpaid voluntary work) do not represent actual expenditures and, consequently, are not eligible costs and cannot be considered as co-financing by the Beneficiary. Anyway, the costs of staff assigned to the Project is considered as an eligible cost and not a contribution in-kind, when paid by the Final Beneficiary, since it is an "in-cash" contribution. Staff not paid by the Final Beneficiary would be considered a contribution in kind. In that case, Final Beneficiaries should pay particular attention to ensure that these are real costs based on standard rates.



Question 9.6. Do the project partners have to contribute financially to the project?

According to the Country's national co-financing system, when national co-financing is not covered (or is partly covered) by the Participating Country (f.i. by a National Fund), partners must provide the national co-financing with their own contribution.

Besides, when project activities are considered state aid relevant partners must contribute with at least 15% to their total project budget with their own resources. Please note that national co-financing is different from the funding that the partner has to guarantee if it falls under the "de minimis regime".

Question 9.7. How can Beneficiaries located outside the Programme eligible area cover the national co-financing?

Beneficiaries located outside of the Programme area, cover the national co-financing in the same way as Beneficiaries located in the area, where the national co-financing share of 15% of the Programme contribution is ensured by Final Beneficiary according to the national co-financing system.

Question 9.8. In which currency must be indicated the estimated budget?

The estimated budget must be always indicated in Euros, applicable also for partners located in the countries with different currency.



§. 10. THE EVALUATION PROCEDURE

Question 10.1. Who is responsible for the project evaluation and approval?

The Joint Monitoring Committee (JMC) is responsible for the project selection and approval. The JMC is supported by the Joint Technical Secretariat (JTS), and carries out its functions with the assistance of the National/regional authorities and, if necessary, of external experts. Project proposals evaluation procedure consists of 2 steps:

- the **formal assessment**, which is made by the Joint Technical Secretariat, under the supervision of the Managing Authority, and foresees two levels of control: the *formal admissibility check* and the *formal eligibility check*;
- the **quality assessment**, made on the basis of the evaluation grid and general assessment criteria, as described in the paragraph §12 of the Calls and paragraph §6.2 of the Applicants' Manual. The JMC is responsible for the quality assessment, which is carried by JTS, the IPA Adriatic CBC Programme National or Regional Authorities/Coordinator and, if necessary, by the external experts.

Question 10.2. How long does the assessment last?

The duration of the whole assessment process is based on the number of applications received. However it is likely that the quality assessment finishes by the end of September 2012. It suggested to **start the project no later than the end of 2012**, in order to have sufficient time after the project closure (end of 2015) to make all the necessary actions for the collection of Final reports and last reimbursement before the end of 2016.

§. 11. PUBLIC PROCUREMENT

Question 11.1. Which procedures must the final Beneficiaries follow for the award of service, supply and work contracts?

According to Article 121 of Regulation (EC) n. 718/2007 Final Beneficiaries from Member States as well as from Candidate/Potential Candidate Countries have to follow the procurement procedures for the award of service, supplies and works contract foreseen by the "EU External aid rules".

Additional information on procurement rules may be found in the section "Implementation documents" of the Programme website.

The External aid rules guidelines (PRAG) can be even downloaded from the following website:

http://ec.europa.eu/europeaid/work/procedures/implementation/practical_guide/index_en.htm

Question 11.2. Can a partner participate in procurement for the implementation of the project?

No, it cannot. A partner cannot act as an external provider (contractor or sub-contractor or agent or intermediate) of other Final Beneficiaries of the same project. As stated in the Partnership Agreement, all project partners are final Beneficiaries of the Programme funds and must have an active role in the project.

Question 11.3. What is the difference between a service provider and a partner of a project?

A service provider is the contractor in a procurement contract, obliged to ensure the results required by the (procurement) contract which provides counterpointed duties for both contracting parties (contracting administration and contractor).

A partner of a project (Final Beneficiary) is instead one **member of a Partnership Agreement** which actually is a temporary consortium where partners are not obliged to counterpointed duties among



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them for ensuring project results but where all together are, with similar rights and duties, in charge of carrying out project activities with the aim to obtain common benefits.

Question 11.4. Is there a budgetary limit for contracting external providers?

In the implementation of the project, Final Beneficiaries are free to pursue project activities themselves or to assign them to external providers (services, supplies or works). Even though the Programme **has not established** a ceiling for contracting to external providers, only a limited portion of the Project activities may be contracted to third parties (providers), since Final Beneficiaries shall not act as mere intermediaries.

For instance, as far as concerns the external expertise budget category, according to the Programme Management and Control Manual, these expenses are acceptable if within the partnership there are not the necessary competences to carry out the related activities. The added value of this kind of service must be clearly proved as external expertise costs may change the nature of the partnership essential purpose.

Question 11.5. Can a contracting authority undertake the procurement process in-house?

In the implementation of the project, Beneficiaries are free to pursue project activities themselves or through a controlled body in an “inter-organic” relationship. Stated this, Final Beneficiary may assign to its controlled body a limited portion of the action, thus the bulk of the project activities must be undertaken by the final beneficiary internal organization (personnel directly employed).

Specifications as regards the in-house providing procedure are given in section 4.2.1 of the Programme Management and Control Manual.

§. 12. CONTACT AND INFORMATION

Question 12.1. Who can support project applicants? And How?

Potential project Applicants may find useful information into the “FAQ” section of the Programme website www.adriaticpacbc.org. This section will be frequently updated and can be of help to applicants answering to questions concerning their project proposals.

Additionally, potential Final Beneficiaries may contact the Joint Technical Secretariat and the national Info points, in order to receive assistance for the presentation of proposals.

The potential Final Beneficiaries may put questions in writing to the JTS (email: info@adriaticpacbc.org; fax: 0039 0862 22520) no later than **eleven days** before the closing date of the Calls for proposals, and the JTS shall provide the answers to the questions in writing no later than three days before the closing date.

For **technical problems** concerning the online submission, Applicants may contact directly the Helpdesk to the following email: admin@adriaticpacbc.eu

