

**QUESTIONS & ANSWERS**  
 regarding implementation of projects under the First Call for proposals  
**Part I**

№	QUESTIONS	ANSWERS
1	Which date is considered initial for the reporting of the project?	<p>According to <b>art. 2 Duration of the contract of the Subsidy Contract</b> formal project implementation starts once the Subsidy Contract is signed. The project implementation period starts on the day following the date the Subsidy Contract enters into force (the date of registration in the administrative system of the Managing Authority. For example, if the contract is registered on 17 October 2016, the project implementation period starts on 18 October 2016.</p> <p>According to <b>p.6 Reporting of the Project Implementation Manual (PIM)</b>, the first reporting period starts with the start date of the project implementation period. For example, if the contract is registered on 17 October 2016, the first reporting period is 18 October 2016 – 17 January 2017.</p>
2	Who send the request for payment?	<p>According to <b>art. 9 Requests for payment and reimbursement of the expenditures</b> and <b>art. 10 Rights and duties of the LP</b> of the <b>Subsidy Contract</b> the Lead Partner must send a request for payment to the Managing Authority.</p>
3	How will receive Macedonian co-financing amounting to 15% of the budget of the Macedonian project partners?	<p>Obtaining national co-financing by the Macedonian beneficiaries is subject to a separate agreement between the National Authority – Ministry of Local Self-Government of the Republic of Macedonia and Macedonian project partners.</p>

4	Who can delegate rights to project partner/s for submission of records into the Beneficiary Portal?	The Lead Partner may decide to delegate access rights to the project partners into Beneficiary Portal.
5	At what lower limit of expenditure is permissible to claim the first level of control?	There is no fixed lower limit of expenditure at the request to FLC submitted on a six-month basis after the starting date of the project implementation period according to <b>art. 8 Verification of expenditures by the controller</b> of the <b>Subsidy Contract</b> . As an exception from the provisions of paragraph 2, the LP may request verification of expenditures on a quarterly basis after the starting date of the project implementation period, provided that at least one of the following conditions is satisfied: the total amount of the expenditures made during the quarter is <b>at least 15 % of the total amount of the operation</b> as stipulated in article 3, or the total amount of the expenditures made during the quarter by some of the project partner/s is <b>at least 15 % of the total amount of the budget of the respective project partner/s</b> .
6	Could one partner to report electronically, another project partner on paper?	In accordance with <b>art.7 Reporting</b> and <b>art. 10 Rights and duties of the LP</b> of the <b>Subsidy contract</b> LP submits project progress reports to the JS on a quarterly basis from the starting date of the project implementation period. In art. 10(6) it is clarified that “The aggregated request for payment and the progress report contain information consolidated by the LP at operation level; thus, the LP presents aggregated request for payment and project progress reports, being responsible for collecting documents and information from each partner.” Lead partner chooses the way of reporting but the paper version does not preclude the completion and electronic data, which is the minimum required into Beneficiary Portal. We recommend electronic reporting of the projects!
7	Who indicates the reference number of the project on accounting documents and invoices - project partners, suppliers, publishers of invoices?	In accordance with <b>PIM p. 7.6 Eligibility of expenditure</b> any project partner must indicate text, identifying the specific project: <b>the number and name of the project</b> (for the expenditures related to the project preparation – the project name and/or the number of the call for proposals) and detailed information regarding the supplied products or services – quantity, type and unit prices on every invoice or similar accounting document subject to verification.

8	<p>Does it require an electronic signature for the Lead partner or for the project partners, working with Beneficiary Portal?</p>	<p>An electronic signature of the Lead partner and other project partners is not required for their work in Beneficiary Portal.</p>
9	<p>How to perform unification of tendering for a project partner who is a beneficiary under other contracts or other programmes for CBC? What programmes covers the requirement for unification of tender procedures simultaneous execution of projects financed?</p>	<p>In accordance with <b>PIM p. 3.3 Procurement plan</b> in case Project partner implements simultaneously more than one project under the Instrument for Pre-accession Assistance it is obliged to plan and implement the respective tender procedures so that the applicable procurement rules and thresholds to be respected.</p>
10	<p>Our municipality plans to nominate two of its employees as members of the project team – one of them is a civil servant and the other is appointed with a work contract. Regarding the information above I would like to ask you how the salaries of these two project team members should be determined. Should their salaries as project team members be in line with the salaries of the respective employees in the municipality or they could be defined without the necessity to comply with the current salaries in the administration? If the salaries of the project team members should be in line with the salaries of the respective employees in the municipality, under what methodology should these salaries be defined?</p>	<p><b>Every project partner is obliged to follow the European and national legislation in appointment of the project staff.</b> In accordance with <b>p. 2.5.3 Eligibility of expenditures of the Guidelines for Applicants</b> and <b>p. 7.9 Financial and accounting documentation of the project</b> of the PIM staff costs must be reported as a flat rate on the basis of the concrete percentage of the direct costs, envisaged in the budget of the respective project partner. This percentage remains the same for the entire project implementation. The amount of the staff costs, which could be requested for reimbursement, depends on the amount of the direct costs spent during the reporting period. No check of the documentary evidences related to the staff costs will be performed by the First level controller.</p>

11	<p>Is it applicable the costs for project management (BL1 Staff costs) or part of that budget line to be procured by a contractor after a public procurement if the partner does not have the required administrative capacity for the activity?</p>	<p>In accordance with <b>p. 2.5.3 Eligibility of expenditures of the Guidelines for Applicants</b> and <b>p. 7.9 Financial and accounting documentation of the project</b> of the <b>PIM</b> the staff costs (BL 1) must be reported as a flat rate.</p> <p>Financing of the management activities under BL 1 Staff costs exclude the possibility of the same expenditure to be paid under contract with outsourced contractor (legal entity).</p> <p>Under BL 1 Staff costs, expenditures for salaries of project manager, coordinator, accountant, assistant, etc. including related costs directly linked to the salary such as employment taxes and social security may be paid. Every project partner is obliged to follow the European and national legislation in appointment of the project staff.</p>
12	<p>Do the Macedonian beneficiaries need to have seal and stamp particularly for the project?</p>	<p>Seal is not obligatory, but you are going to need stamp with project reference number on it. The stamp will be used on the invoices generated by the project. Namely all operators by your projects <b>have obligation to generate e-invoices</b> through the Macedonian Public Revenue Office, since VAT is not eligible expenditure for Macedonian beneficiaries under the programme. The e-invoice would contain "<b>title of the project</b>" (previously given within the registration process in Secretariat of European Affairs - SEP) and <b>special tax number</b> (only for the project issued by the Macedonian Public Revenue Office) - with this the national legislation for VAT as not eligible expenditure under the programme is covered, on the other hand the stamp with reference number of the project on it is needed for recognizing the expenditure made under the project in accordance with <b>PIM p. 7.6 Eligibility of expenditure</b>.</p>
13	<p>For example: the organization on a monthly bases pays the salary for the project team, thus this mean that if the organization pays more than the amount that is going to be calculated on the basis of the flat rate for reimbursement after 3/6 months will be borne by the organization?</p>	<p>According to <b>PIM p. 2.5.3 Eligibility of expenditures of the Guidelines for Applicants</b> and <b>p. 7.9 Financial and accounting documentation of the project</b> the staff costs (BL 1) must be reported as a flat rate on the basis of the concrete percentage of the direct costs, envisaged in the budget of the respective project partner. This percentage remains the same for the entire project implementation. The amount of the staff costs, which could be requested for reimbursement, depends on the amount of the direct costs spent during the reporting period. The differences between paid and reimbursed funds are a sole responsibility of the organization.</p>

14	<p>How we are going to calculate the advance payment?</p>	<p><b>For soft projects</b> the amount of advance payment for BG partners is going to be calculated at the rate of 20% of the IPA and the Bulgarian national co-financing, as part of the subsidy and for the MK partners it is going to be calculated at the rate of 20% of the IPA financing, as part of the subsidy.</p> <p><b>For investment projects</b> the amount of advance payment for BG partners is going to be calculated at the rate of 10% of the IPA and the Bulgarian national co-financing, as part of the Subsidy Contract and for the MK partners is going to be calculated at the rate of 10% of the IPA financing, as part of the subsidy. The rest of the 10% of the total amount of the subsidy for BG partners and the rest of the 10% of the IPA (85%) amount of the Subsidy Contract is going to be requested after one of the project partners awarded a sub-contract for investment activity.</p>
15	<p>According to PIM (page 13, point 4.3, section "Evaluation procedure", the price can be an exclusive selection criteria in some cases when in others the selection can be based on the combination of price and technical quality of offers. According to point 4 "Additional Information" in Instructions to Tenderers (file 1 of Annex 14.1.1 TD for service), the selection criteria option is only the "price-quality" combination with exact specified ratio: "Best value for money, weighting 80% technical quality, 20% price." Based on the above, is it acceptable to choose exclusive price criteria for Single tender procedure for services (i.e. research or consultancy)? If the answer is negative, is it acceptable to choose different ratio between quality and price (i.e. 70%-30)?</p>	<p>According to PIM, in Single tender for service (Annex 14.1.1 of the PIM) the Beneficiary has the obligation to strictly observe the principle of <b>best value for money weighting 80% technical quality, 20% price.</b></p>

16	<p>In Single tender for service, is it acceptable to ask tenderers to provide separate documents for eligibility and exclusion criteria under 2.3.3 from PRAG in Single tender for service (i.e. Declaration of honor), when in point 2 “Tenderer’s Statement” in Tenderer submission form (file 2 of Annex 14.1.1 TD for service) the Tenderer has already declared that he covers all the these criteria?</p>	<p>In Single tender for service (Annex 14.1.1 of the PIM), if the contracting authority deems it necessary <b>may require</b> any additional documents to be submitted by tenderers for eligibility and exclusion criteria under 2.3.3 from PRAG.</p>
17	<p>In Single tender for service, is it acceptable to demand specific professional experience from key experts (i.e. certain number of same activities implemented before)?</p>	<p>In Single tender for service (Annex 14.1.1 of the PIM) the contracting authority <b>may require</b> specific professional experience from key experts envisaged.</p>
18	<p>In Single tender for service, is it acceptable to ask documentary for professional education (i.e. diplomas) and/or experience of key experts other than CVs (copies of other documents)?</p> <p>If so, is it obligatory from translation of these documents if they are presented in Bulgarian or Macedonian language?</p>	<p>In Single tender for service (Annex 14.1.1 of the PIM) the contracting authority may ask documentary evidence for professional education and/or experience of envisaged key experts. In <b>Annexes 14.1.1, 14.1.2 and 14.1.3 of the PIM for Single tender procedures</b> there are no envisaged special requirements for translation of the tenderers supporting documents. It is, however, recommended that a translation into the language of the procedure to be provided, in order to facilitate the evaluation of the documents.</p>
19	<p>In Competitive negotiated procedure should we invite at least three tenderers and to prepare justification on paper for their selection since the procedure is open to all interested parties by publishing on web-site</p>	<p>Under point 2.4., point 3.4.2., point 4.5 and point 5.6 of PRAG the Contracting Authority draws up a list of at least three providers and justifies its choice. The PRAG does not explicitly require the tender dossier to be published.</p> <p>The PIM (p. 4.3) requires such a publication in order the principles of transparency and publicity to be assured.</p>

	of the program and on the beneficiary website like Local Open Procedure?	
20	In Competitive negotiated procedure, is it enough publication only on the website of the program, because our organization has not web-site and we are not planning resources to develop it?	The beneficiary is responsible for ensuring publicity and transparency of the tender procedure.
21	In Works Competitive negotiated procedure, section Contract Notice, art. 10. Eligibility and rules of origin is written - Participation in this tender procedure is open only to the invited tenderers, so it is eligible to accept an offer, in case of uninvited (by letter) candidate but informed by publication in the websites?	In Competitive negotiated procedure the Contracting Authority is not explicitly obliged to publish a contract notice (see point 2.4., point 3.4.2., point 4.5 and point 5.6 of PRAG). The PIM (p. 4.3) requires such a publication in order the principles of transparency and publicity to be assured. In case an uninvited tenderer submits an offer based on the published information, the contracting authority cannot reject it just with the argument that the procedure is opened only to invited tenderers (argument from art. 102, p. 1 and 2 of Regulation 966/2012)
22	Tender Dossier: DS1-Works Competitive negotiated procedure does not provide guarantees for: participation in tender procedure; advance payment and performance. Is it eligible, as contracting authority, to ask tenders for guarantees and if it's (eligible) how to do it?	On the base of art. 5.3.2. of PRAG a tender guarantee assures the Contracting Authority that submitted tenders will not be withdrawn. If the contracting authority deems a tender guarantee to be appropriate and proportionate, it may request it, representing 1% to 2% of the overall value of the contract. The contracting authority shall return the tender guarantee as foreseen in points 5.3.9.3. and release it for all tenderers when the contract is signed. The contracting authority shall call in the tender guarantee if the tender is withdrawn before contract signature. <b>According to the applicable rules, guarantees (pre-financing, retention and/or performance guarantee) could be required or not. If so, this must be mentioned in the tender dossier.</b>
23	In Works Competitive negotiated procedure, is it eligible to block/prohibit provided opportunity of sub-contracting?	As a rule the contracting authority is not entitled to limit the opportunity of sub-contracting given by PRAG.

24	<p>In our capacity of Contracting Authority of Competitive negotiated procedure is it possible to change required translation from Macedonian to English of tenderer supporting documents, because the members of tender evaluation committee, FLControllers and Auditors know the Macedonian language?</p>	<p>In connection with art. 2.3.3.3., letter “B” “Documentary evidence” of PRAG if the supporting documents are not written in one of the official languages of the European Union, a translation into the language of the procedure must be attached. Where the documents are in an official language of the European Union other than the one of the procedure, they have to be accepted. It is, however, strongly recommended that translation into the language of the procedure to be provided, in order to facilitate the evaluation of the documents.</p>
25	<p>In Works Competitive negotiated procedure, is it permissible not to grant advance payment, accordingly by changing the terms in the „Special conditions“?</p>	<p>The text of art. 46.1 of Annex d4o “Special conditions” is: “Specify whether pre-financing is possible”.</p>