**Town Twinning Action Between Turkey and the EU Grant Scheme (TTGS)**

Call for Proposals TR2014/DG/01/A1-02

(EuropeAid/158874/ID/ACT/TR)

issued by the CFCU on 04 January 2018 with deadline of 23 March 2018

**Clarifications-3**

**Note 1:** *Most of the questions that have been received concerning this call for proposals (call) can be answered by* ***carefully reading*** *the guidelines for grant applicants (guidelines).*

**Note 2:** *To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities (Please see Section 2.2.8 of the guidelines and Corrigendum-2).*

*Please further note that the replies given to the questions on the eligibility of the applicants and affiliated entity(ies) are provided solely for the question asked without consideration of whether the other eligibility criteria stated in the guidelines (Sections 2.1.1 and 2.1.2) are fulfilled or not.*

**General Issues**

1. **As we are (X) municipality, should we select “local authority” or “public administration” stated in the Section 3.2.1 of the Full Application Form?**

According to the footnote 18 of the Full Application Form the category should be marked in terms of sector of your organization which is defined in your law. Municipalities can mark “Local authority” as a category under public sector.

1. **As we are (X) municipality, which box we should mark in Section “3.2.2 Sectors” in the Full Application Form?**

As stated footnote 19 of the Full Application Form, box/boxes for each sector your organisation has been active in the past 7 years should be marked.

1. **As we are (X) entity in Turkey, which box we should mark in Section “3.3.2 Experience by geographical area” in the Full Application Form?**

For an entity experienced in Turkey, “Europe-Non EU” or “Turkey” can be stated as geographical area.

1. **As we are (X) entity, can we include our project application that was not awarded or evaluation process is still on-going to the “Number of Projects in the past 7 years” column in Section “3.3.1 Experience by sector” in the Full Application Form?**

No. Only on-going and completed projects can be included in the “Number of Projects in the past 7 years” column.

1. **When filling in the full application form, in the section “3.3.1 Experience by sector” in the Full Application Form in the left column where it is written sector, do we need to insert the number of the relevant sector below?**

Either the sector number or sector name can be written.

1. **Our target group was defined as (X) people who are not one of the options stated in the Section 3.2.3. Should we select “other” option?**

Yes. Then, the target group should be specified next to this option.

1. **What is required “net earnings” column in the Section 3.3.3. of the Full Application Form?**

Net earnings equals to the amount remained when the expenses and outgoings are subtracted from the total earnings.

1. **What is required “turnover” column in the Section 3.3.3 of the Full Application Form?**

Turnover (*ciro*) is an accounting term and equals to the amount of total earnings/sales in a particular period.

1. **Could you please explain the difference between HQ staff, expat staff and local staff?**

As stated Section 3.3.3. “Resources - Number of Staff” of the Full Application Form, HQ Staff can be described as the staff recruited and based in Headquarters, expat staff can be described as the staff recruited in Headquarters and based in Developing Country and local staff can be described as the staff recruited and based in Developing Country.

The staff that has been recruited should be reflected according to the type of the lead applicant and location of the staff.

1. **Could you please explain the differences between Baseline, Current Value and Targets columns in the Logical Framework? Which information should be written in these columns?**

The starting point or current value of the indicators imply “baseline” and the value of the indicator at the indicated date imply “current value” while the “targets” imply the quantitatively or qualitatively measurable level of expected output, outcome or impact of an Action.

Design of the logical framework template enables follow-up of the achievement of indicator values, therefore “current value” column is included. This column needs not to be filled in during the submission of full application but it may be used for regular updates during the implementation stage of the project for monitoring of the action and reporting purposes.

1. **If the lead applicant does not have any affiliated entity, can the section(s) related the affiliated entity(ies) be deleted from the Full Application Form?**

No. As stated in the full application form (Part B-page 4), when filling in the full application form, all the guidance notes on how to fill in the forms or what type of information to include under each question /section should be deleted only. Other parts of the Full Application Form should not be deleted.

1. **Can entity be awarded more than one grant?**

No, an entity can be awarded only one grant either as a lead applicant or as a co-applicant or as an affiliated entity.

**Eligibility of Costs (Section 2.1.5 of the guidelines) and**

**Financial Issues**

1. **As we are (X) applicant, should we prepare expenditure verification report and be audited by the certified public accountant (CPA)? Should we add a budget line for the cpa/expenditure verification?**

No, an expenditure verification report is not requested from the beneficiaries as the expenditure verification referred to in Article 15.7 of the General Conditions (Annex G-II of the guidelines) will be carried out by the Contracting Authority. Therefore, no cost should be included in the project budget for CPA and/or expenditure verification.

1. **How are the payments made?**

Please see Article 15 of General Conditions (Annex G-II of the guidelines) and Article 4.1 of Special Conditions about payment procedures.

1. **How should the budget be prepared? Should the budget details be provided for each budget line or should they be indicated as lumpsum?**

The budget (includes 3 worksheets) should be prepared after the Project is written.

Budget template includes 6 budget headings (such as 1. Human Resources). Further, some budget lines (such as 1.1.1 Technical) are also provided by default in the Budget under the budget headings. Eligible costs (please see Section 2.1.5 of the guidelines) related with the activities should be indicated under the appropriate budget headings. As stated in the instructions on the budget (Worksheet I), the description of items must be sufficiently detailed and all items must be broken down into their main components. The number of units and the unit value for each budget item must be specified. Justification of the Budget for the Action (Worksheet II) should include a narrative clarification of each budget item demonstrating the necessity of the costs and how they relate to the action and also should provide a justification of the calculation of the estimated costs. Inconsistencies between the project and the budget should be avoided.

As stated in the Section 2.1.5 of the guidelines, eligible costs may be based on any or a combination of actual costs to be incurred by beneficiaries and affiliated entity(ies) and one or more simplified cost options. Simplified cost options may take the form of unit costs, lump sums and flat-rate financing. In case use of “simplified cost option” is proposed, the budget should include different budget lines per applicant and for each type of simplified cost option. In addition, the total amount of financing on the basis of simplified cost options (excluding the indirect costs) cannot exceed EUR 60.000 per beneficiary (per applicants and affiliated entity(ies)). Please also see Guidelines and Checklist for Assessing Budget and Simplified Cost Options (Annex K of the guidelines) for more information.

1. **Should it be prepared one consolidated budget for all partners, i.e. one excel sheet for all partners, all for each partners separate sheets should be used?**

One consolidated budget including the lead applicant, the co-applicant(s) and affiliated entity(ies)(if any) estimated expenses should be prepared. In the Budget Worksheet-2 (Justification of the Budget for the Action), it should be clearly explained whether the costs are associated with the lead applicant or the co-applicant(s) or affiliated entity(ies) and this explanation should be in line with the Full Application Form.

Also, the costs that co-beneficiaries (if awarded the grant contract, the co-applicants will become the beneficiary identified as the co-beneficiary in Annex G (Special Conditions)) and affiliated entity (if any) incur are eligible in the same way as those incurred by the lead applicant. In such case, amount to be used by the co-beneficiaries and affiliated entity(ies) should be inserted in “Budget Distribution Table” which is included in the Annex B (Budget) - 3. Expected Sources of Funding & Summary of Estimated Costs worksheet.

Please also see Reply-15.

1. **Is there maximum percentage of the total budget, assigned to each category of "Costs" for example "Salaries/Human resources", "Equipment and supplies" etc.?**

Only two thresholds exist in relation to budget headings: “8. Indirect costs” and “10. Provision for contingency reserve”.

As it is indicated in the section 2.1.5 of the guidelines the indirect costs (budget heading 8) incurred in carrying out the action may be eligible for flat-rate funding, but the total must not exceed 7% of the subtotal of the direct eligible costs (budget heading 7). In addition, the budget may include a contingency reserve (budget heading 10) not exceeding 5% of the subtotal of direct eligible costs (budget heading 7).

Although there is no threshold concerning the other budget headings, appropriate reflection of the activities in the budget; ratio between the estimated costs and the expected results; the necessity, unit rate (e.g. whether it is consistent with market rates) and the number of units (whether it is consistent with the Description of Action) of the budget items will be taken into account during the evaluation.

Furthermore, as also indicated in section 2.1.4 of the guidelines, infrastructure projects or projects essentially focused on the purchase of equipment are ineligible.

1. **How will the co-financing be realised? Can the staff costs, office costs etc. of the lead applicant or co-applicant be considered as co-financing?**

Amount of co-financing should be provided from the own resources of the lead applicant or its co-applicants or affiliated entity(ies) or from another resource other than the European Union budget or the European Development Fund.

Co-financing can be realised either by depositing the amount directly or in intervals to the project account or covering some of the costs indicated in the project budget in accordance with the General Conditions (Annex G-II of the guidelines).

Cost of applicants’ (lead applicant, co-applicants) and affiliated entity(ies) own staff assigned to the action could be included in the budget and may be regarded as co-financing. Actual gross salaries including social security charges and other remuneration-related costs of the staff assigned to the action are eligible costs on the condition that salaries and costs shall not exceed those normally borne by the applicants or affiliated entity(ies) unless it is justified by showing that it is essential to carry out the action. Please see General Conditions (Annex G-II of the guidelines).

Field office costs are also considered as eligible costs of the action if incurred in accordance with Article 14 of the General Conditions (Annex G-II of the guidelines). Please also see the Article 7.1.3 of the Special Conditions (Annex G-II of the guidelines).

1. **Can you clarify eligible/ineligible costs for project budgets or does that entirely change according to the content of the project?**

Please see Articles 14.1, 14.2 and 14.9 of the General Conditions (Annex G-II of the guidelines).

Please be noted that the eligible costs do not change according to the content of the project. Also, costs should be necessary for the implementation of the project.

1. **If awarded grant, does the lead applicant have to transfer its own co-financing directly to the Project’s bank account?**

No. The lead applicant does not have to transfer its co-financing to the Project’s account. However, at the end of the Project, the lead applicant has to affirm its own contribution by presenting the official payment documents with the final report.

1. **Can we buy ICT equipment such as computers, printers, etc. for all partners (co-applicnts) to use in project works?**

Equipment and supplies can be purchased in line with the needs of the activities of the Project indicating under the budget heading “3. Equipment and supplies” in the Annex B – Budget. Where the implementation of the Action requires purchasing ICT equipment, costs of the equipment are considered as eligible costs in accordance with Article 14 of the General Conditions (Annex G-II of the guidelines). However, during the evaluation of Full Application Forms, applicants’ financial and operational capacity, including their technical expertise, project management experience and capacity will be assessed.

**How to Apply and the Procedures to Follow**

**(Section 2.2 of the guidelines)**

1. **As we are invited to the Full Application Evaluation, where can we reach to the Full Application Form template?**

Documents to be filled including “Full Application Form” can be reached on the on the EuropeAid website at <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>, CFCU website at <http://www.cfcu.gov.tr> and Ministry of Foreign Affairs - Directorate for EU Affairs (previously Ministry for EU Affairs) website at <http://www.ab.gov.tr>.

1. **Should the supporting documents stated in the Section 2.4. of the Guidelines be submitted with the Full Application Form?**

No, supporting documents stated in the Section 2.4. of Guidelines should be submitted in the “verification of eligibility stage” by provisionally selected applicants.

1. **Which supporting documents should be submitted together with the full application form, in addition to the Budget and the Logical Framework, by the lead applicant and the co-applicant(s)?**

The list of documents that have to be submitted are mentioned in Section 2.2.5 and listed in Section 2.2.6 of the guidelines. No additional annexes should be sent.

1. **Is the date of the deadline for the submission of the full application forms valid as 28 August 2018?**

Yes. As stated in Section 2.2.7 of the Guidelines, the deadline for the submission of full applications was indicated in the letter sent to the lead applicants whose application has been pre-selected.