

Contracting authority: Standing Conference of Towns and Municipalities
(SCTM)

Belgrade, 18/09/2025

1st Call for Proposal EU Support to Integrated Territorial Development EU INTEGRA
Reference: GRT-3656/25

CONTRACTING AUTHORITY'S CLARIFICATIONS No. 3

No	Question	Answer
1.	<p>In the guidelines, under the section referring to additional documentation, it is stated:</p> <p><i>"The statutes or articles of association of the lead applicant, (if any) of each co-applicant and (if any) of each affiliated entity. Where the contracting authority has recognised the lead applicant's, or the co-applicant(s)'s, or their affiliated entity(ies)'s eligibility for another call for proposals under the same budget line within 2 years before the deadline for receipt of applications, it shall submit instead, a copy of the document proving their eligibility in a former call (e.g. a copy of the special conditions of a grant contract received during the reference period), unless a change in legal status has occurred in the meantime..."</i></p> <p>Could you please clarify what exactly is meant by "a copy of the document proving their eligibility in a former call (e.g. a copy of the special conditions of a</p>	<p>Given that this is 1st Call for Proposal within Program EU INTEGRA, the following should be submitted 'The statutes or articles of association of the lead applicant, (if any) of each co-applicant and (if any) of each affiliated entity.', as there was no call for proposals under the same budget line organized by the Contracting Authority within 2 years before the deadline for receipt of application in which case a copy of document proving eligibility could be provided.</p>

	<i>grant contract received during the reference period)"?</i>	
2.	In relation to the submission of the auditor's report, is it necessary to submit the entire auditor's report or only the auditor's opinion? Given that the City Administration implemented a project under the previous call and submitted documentation for the previous years, should the auditor's report be submitted only for the missing year or for all three years? Regarding the translation – which parts are considered relevant in this case, and does the translation need to be official?	Referring to Section 2.2.1. point 4, footnote 11, public bodies are not required to submit supporting documents: an audit report and a profit and loss account. The translation of the documentation is not required . Please refer to the GfA Section 2.2.1 'Where such documents are not in one of the official languages of the European Union or in the language of the country where the action is implemented, a translation into the language of the call for proposals of the relevant parts of these documents proving the lead applicant's and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, must be attached for the purpose of analysing the application.'
3.	Should the balance sheet and income statement be translated, and which parts of these documents are considered relevant for translation? Does the translation need to be official?	Please see the response under question 2.
4.	In the budget, should all items be shown without VAT? How do we record the applicant's contribution, considering that the contribution is not VAT exempted?	According to the Guidelines for Grant Applicants (Section 2.1.4 – Ineligible costs) , <i>"Taxes, including VAT, are not eligible."</i> The same provision is reiterated in the Grant Contract – Annex G (General Conditions, Article 7.1.2) which states that <i>"VAT/ taxes, duties and charges are not eligible."</i> This rule applies equally to all expenditures included in the budget proposal regardless of

		<p>the source of financing (EU, co-applicants' contribution, etc.).</p> <p>Since co-financing can only consist of eligible costs, VAT cannot be counted as part of the applicant's contribution.</p> <p>Both the EU grant and the applicant's co-financing must be budgeted and reported exclusive of VAT, in line with the provisions of the Call and the Grant Contract.</p>
5.	Can salaries of employees in the city administration be shown as the City's contribution?	<p>According to Section 2.1.4 of the Guidelines for Grant Applicants (Ineligible costs) and Article 7.1.2 of the Grant Contract – Annex G (General Conditions), <i>salaries of staff of public administrations are eligible only to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the action were not undertaken.</i></p> <p>As eligible costs (BH1 – Human Resources): Staff costs for City administration employees may be included in the budget only if they are directly linked to project activities which fall outside the scope of their regular statutory duties. In such cases, these costs must be duly justified.</p> <p>As co-financing: Since co-financing can only consist of eligible costs, salaries of City administration employees may be counted as the City's contribution only for the portion that is directly attributable to project-specific tasks and goes beyond their usual administrative responsibilities.</p>

		<p>The part of salaries covering routine or statutory tasks of the City administration cannot be considered eligible and therefore cannot be presented either under the EU grant or as co-financing.</p> <p>In conclusion: Salaries of City administration employees may be included as the City's contribution only for project-related activities outside their common duties, in line with the eligibility criteria set out in the Guidelines and the Grant Contract.</p>
6.	Will a service (licensed training), which normally costs but is available to the applicant free of charge, be considered a relevant applicant contribution?	<p>According to Section 2.1.4 of the Guidelines for Grant Applicants, <i>contributions in kind do not involve any actual expenditure for beneficiaries or affiliated entities and are therefore not eligible costs. Contributions in kind may not be treated as co-financing.</i></p> <p>The provision of a licensed training course to the applicant free of charge constitutes an in-kind contribution since no actual expenditure is incurred by the applicant. As such, it cannot be entered into the project budget as an eligible cost and cannot be considered as part of the applicant's co-financing.</p> <p>Applicants may, however, describe such activities in the narrative section of the application form to demonstrate additional support or resources leveraged for the action, but they will not be financially recognised in the budget.</p>