European Commission
Enterprise & Industry Directorate General

SUBMISSION GUIDE
Call for proposals

Supporting Public Procurement Of Innovative Solutions: Networking And Financing Procurement

ENT/CIP/11/C/N02C011

QUESTIONS & ANSWERS

Questions collected on 1 September 2011, from functional email box:
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1) Question:

In the submission guide it is written:
1) on page 5 that the Applicant (lead partner) and its partners have to fill in forms A1, A3 and A4
2) on page 6 that the Applicant (lead partner) and its partners have to provide forms A3, A4 and A5
3) on page 7 that:
- form A1 is mandatory for the applicant lead organisation
- form A2 is mandatory for the applicant lead organisation
- form A3 is mandatory for the applicant lead organisation

Which of the above rule shall apply in the end: do partners (outside the lead partner) have to fill in forms A1, A2 and A3?

Answer:
Form A1 and A2 have to be filled in by the lead applicant only.
Form A3 has to be filled in by all partners of the consortium applying for the call for proposals.

2) Question:

As said on page 15 of call the for proposals: "*In general, applicants and partners of applicants must be Contracting Authorities according to Directives 2004/18/EC and 2004/17/EC, Contracting Authorities shall be the State, regional or local authorities, bodies governed by public law, associations formed by one or several of such authorities or bodies governed by public law*".
If these directives are mentioning a procurement body or company, does this mean that the "innovation" department or subsidiary of this same body or company will be an eligible applicant?

Answer:
The "*Nota Bene for strand 1*" on page 15 is dedicated to the "*EU FINANCING*" and is referring to: "*A maximum of 20% of the price of actual purchase(s) of innovative solution (s) will be eligible, if the six following conditions are met*".
This specific "*Nota Bene for strand 1*" is therefore addressed to the consortium members that are whiling to implement a public procurement of an innovative solution.
This specific "*Nota Bene for strand 1*" stipulates that these partners must be Contracting Authorities (i.e. public procurers) according to Directives 2004/18/EC and 2004/17/EC.
In other words, the other partners that might be involved in the consortium are not directly concerned by this specific "*Nota Bene for strand 1*" on page 15.
These partners of the consortium which are not Contracting Authorities are detailed on page 18 of the call for proposals.

3) Question:
If the actual project spend is less than the approved budget for the pre-procurement activities, does this affect how much funding will be available for the actual procurement, given the call notes the EU contribution for the purchase cannot exceed one third of the total contribution for the action?

Answer:
Yes, the approved budget for the pre-procurement activities will affect how much funding will be available for the actual procurement, since as said on page 15, "*Not Bene for Strand 1*": "*3. Multiple procurements can be implemented in a single consortium in the life-time of the action. The total co-financing does not exceed EUR 500,000; 4. The total amount of the EU contribution for the purchase(s) does not exceed one third (1/3) of the total EU contribution for the action*".

4) Question:
It seems that the total number of points for the evaluation of Strand 1 is 105 and not 100. Could you clarify?
Answer:
A typo appears in the call for proposals text published on 23 June; the total number of point for the evaluation of Strand 1 was 105 and not 100.
Therefore, it has been modified in order to arrive to a total of 100 points for Strand 1. 5 Points have been withdrawn from "Quality and Management" part.
The correct version is now available on-line:
http://ec.europa.eu/enterprise/newsroom/cf/_getdocument.cfm?doc_id=6624

5) Question:
The guidance note Section III.4 Subcontractors states: '*A **limited part** of the project may be subcontracted. However, the lead organisation (and its partners of the consortium if applicable) is solely responsible for the project management or organisation. This part of the project can never be entirely outsourced.*'
Is it possible to sub-contract the supporting project management functions whilst the lead partner still maintains overall legal responsibility, decision making and financial management for the project? It is envisaged this role would not be full time or with consistent workloads and therefore would be challenging to use existing or temporary staff. Functions to sub-contract are considered as: setting up and running a project secretariat for communication with all partners; assisting partners with budget issues and preparing financial reports; monitoring progress, identifying and addressing any problems, preparing progress reports; organisation and minuting of partner meetings; organisation of workshops.
Answer:
As said in the call for proposals on page 16, **specific support tasks**, such as the organisation of events and joint workshops, legal advices, training or dissemination activities may be subcontracted, up to 30 % of the eligible costs. Applicants should identify/ specify already in their proposals the scope of the work to be subcontracted, the amount of the budget which is meant to be sub-contracted and the process to be followed to designate sub-contractors. Subcontracting does not limit the responsibilities of beneficiaries.

6) Question:
Is it possible to name Project Observers, i.e. relevant organisations who are interested in the project results and have confirmed their interest in participating in dissemination events, in order to fund their attendance through the project?
Answer:
All budgets for actions developed within the time line of project and used by external stakeholders to the consortium will need the European Commission approval before engagement. Such budgets need to be included in the project proposal.

7) Question:
Could you please clarify for projects that propose to undertake an 'actual improvement' if all project partners must intend to undertake an actual procurement, and whether this needs to be for the same product for all partners whereby a project may identify more than one innovative product related to a solution.
Answer:
As said in the call for proposals on page 16, Nota Bene for Strand 1, point 3: "*Multiple procurements can be implemented in a single consortium in the life-time of the action. The total co-financing does not exceed EUR 500,000*", meaning that procurers involved in the consortium can purchase jointly the same solution(s), or separately different solution(s). On that point, it is important to refer to the call for proposals on page 9, Nota Bene for Strand 1: "*The European Commission will give priority (see Annex 3 – Evaluation criteria) consortia that would prepare and implement public procurements of*

innovative solutions, instead of mere networks of public procurers (e.g. preparation phase only - before the procurement). The procurement implementation could be run as "individual procurement" or, preferably, as a "joint cross-border public procurement". When consortium members implement an "individual procurement" the European Commission will give priority (see Annex 3 – Evaluation criteria) to consortia that develop "individual procurement" in a co-ordinated manner (e.g. by means of common specifications amongst procurers)."

8) Question:
We got that in the call for proposals ENT/CIP/11/C/NO2CO11 - Strand 2, you mention https://procurementforum.viadesk.com/do/login/ as example for developing a new website. Unfortunately to enter in this forum it is necessary to send an e-mail to an address that is not working anymore.
So we kindly ask you how we can proceed.
Answer:
In order to get access to this procurement platform you need to be registered. In order to do so, a simple email should be address to: procurementforum@pianoo.nl
This is free of charges and such a control is applied to access the platform since identity of people needs to be checked. Sensitive information on public procurement could be exchanged the various working group of the web platform.

9) Question:
Is it possible, that research centres and universities also participate in the call?
Answer:
As said in the terms of reference on page 18, the only stakeholders excluded as partners in the consortium are: "*private bodies that are potential suppliers of products or services in the area of solutions are not eligible to participate as direct beneficiaries in the consortia".*
In other words, research centres and universities are eligible as far as they won't be potential suppliers of products or services in the area(s) where innovative solution procurement(s) could be realised by procurers involved in the proposals.

10) Question:
Is it possible that employees from "daughter companies" of the regional authorities execute the project or parts of the project? Or shall they be subcontractor? That is quite simple in FP7 with special clauses and under the premises that those employees are treated like employees of the contracting party (same rights, supervised, similar salaries etc.).
Answer:
It is possible for any relevant stakeholders to get involved as partner in the project as far as they are not potential suppliers of the innovative solutions that could be procured by procurers involved in the proposal. Please refer also to Q&A n°4 of questions collected on 14 July.
Also, only costs recorded in the accountancy of a beneficiary within the submitted offer will be eligible. In order for these costs of the economic operators involved in the action to be eligible, they need to be beneficiaries' party to the agreement. Subcontractors must always be selected according to the rules sated in article II.9.1 of the grant agreement.

11) Question:
What about time records for involved people?
Answer:
Times sheets to report timing of people working on the project are available on the Excel "budget summary form" under "Working days" sheet.
During execution of the contract, beneficiaries might be requested to provide evidence of the costs incurred, from their accountancy, and in this case time records of staff". Beneficiaries might also refer

to the article of the General Conditions of the Grant agreement that specify the rules for eligibility of the costs.

12) Question:
The financial rules in the grant agreement are quite short. Do FP7 rules apply?
Answer:
Financial rules are the one indicated in the grant agreement. This call for proposals runs under the Competitiveness and Innovation Framework Programme, therefore this is the CIP financial rules that are applying and not the Framework Research Programme number 7.

13) Question:
Where can we put the cost of these purchases in the budget? Suppose there are purchases under this rule of say total 500,000 the 20% i.e. 100,000 is eligible at 95% grant rate but where do I put this 100,000 in the budget?
Answer:
You can indicate the amount of the innovative solution to be purchased on the Excel "budget summary form" under "Miscellaneous" sheet.

14) Question:
I would appreciate if you can clarify whether it is always compulsory to attach the Annex 5 in order to prove the technical capacity or if it has be submitted only when then grant has an EU co-financing rate of less than 25,000 euro.
Answer:
As said on page 21, the applicants shall submit a declaration on honour for the purpose of proving the financial and technical capacity. Annex 5 is sufficient only when the European Commission contribution is below 25,000 euro.

15) Question:
Does this declaration (Annex 5) substitute the staff CV and the professional references in order to prove the technical and management capacity or the three things (Annex 5 + CV + professional references) have to be submitted.
Answer:
Annex 5 has to be provided, as well as professional references and CVs as requested in the "Submission set".
To be noticed that, as said in the previous answer, annex 5 is sufficient only when the European Commission contribution is below 25,000 euro.

16) Question:
Concerning the possibility of charging real indirect costs, we are not clear about they way how to prove the indirect costs.
Answer:
As defined in page 27, "indirect costs" are: *"(sometimes called overheads), are all those eligible costs which cannot be identified by the participant as being directly attributed to the project, but which can be identified and justified by its accounting system as being incurred in direct relationship with the eligible direct costs attributed to the project*".
Also, there is no possibility to charge real indirect costs as stated in article I.4.2. of the draft Grant Agreement: "*I.4.2 The total eligible costs of the action are estimated at EUR […], which corresponds to the headings/items of expenditure as shown in the estimated budget in Annex II., applying the eligibility conditions laid down in Article II.14*".
Therefore, it has been decided that indirect costs are eligible for "flat rate funding" or "lump sum" of maximum 7% of the total direct eligible costs, subject to the conditions laid down in Article II.14.3.

17) Question:
1) Is it possible as a local city to participate at three different proposals within strand 1?
Answer:
As already answered in the Question and Answer n°2 of 18 August, the possibility for one beneficiary to be involved in more than one project under the same strand of this call, is not excluded. They can participate to several proposals and future projects, provided that:

- the projects are completely different,
- with different outcomes,
- different technical proposals,
- different costs,
- and for innovation procurement activities, that the solutions to be procured by a same procurer in two different projects are also different.

18) Question:
We would like to ask you if you can provide us some information about the budget form B/1.3 - subcontracting sheet. How can we register the cost beyond the personnel ones for organising an event?
Answer:
As this stage, you can report the costs for organising an event in the sheet "B.1.2c Consumables" if the costs further to staff, are consumables. If they are related to subcontracting costs, they will have to be included in the subcontracting in "B.1.3 subcontracting sheet".

19) Question:
In order to full fill all the requirements of the call for proposal, we have the following questions regarding annex 5, where there is a point on: "*Sufficient (future) budgets available for the purchase of the envisaged innovative solutions, amounting approximately to …….. EUR in 20….. (budget years*)":
Should it be filled by the private company that is taking place in consortium? If, yes for what year? And should the points of this declaration be marked hand filled or it should be tipped?
Answer:
The part on: "*Sufficient (future) budgets available for the purchase of the envisaged innovative solutions*" of Annex 5, should be filed in by the partners that engage themselves (i.e. public procurers only) to realise the procurement(s) of innovative solution(s). Official documents and declarations to be filled-in can be hand written.

20) Question:
In the Financial Statement Form (A/5 of the submission set), you suggest to fill the Excel file. Is an Excel template already available? If yes, we wonder if you could tell us where we can download it?
Answer:
You can find this Word template here: http://ec.europa.eu/enterprise/newsroom/cf/itemlongdetail.cfm?item_id=5229&lang=en&tpa_id=135&displayType=fo&fosubtype=p&ref=newsbytheme.cfm%3Flang%3Den%26displayType%3Dfo%26fosubtype%3D%26tpa%3D135%26tpa_id%3D135%26period%3Dlatest%26month%3D%26page%3D1

Document called: "Annex 5 – Declaration regarding operational capacity (53KB))".

21) Question:
How can we covert from Sterling to Euro and at what date of validity should we take into account?
Answer:
Applicant organisations in countries where the Euro is not national currency are asked to use the official EU exchange rates that can be found on the following website:

http://ec.europa.eu/budget/inforeuro/index.cfm?fuseaction=countries&Language=en and the date of validity to be considerate for the application should be 1st September 2011.
During the execution of the grant agreement, costs which have been incurred in other currencies than the Euro shall be converted according to the provisions of article II.16.1 of the grant agreement.

22) Question:
Where to put in the Excel budget summary form figures for items which are pre-procurement?
Answer:
Applicants can include their action's budgets under the sheet: "B.1 Expenditure – individual".

23) Question:
On Excel B1.1b working days sheet there is only one section per beneficiary. The guidance sates add extra sheet what is the sheet? Can I put expert under Beneficiary 1 and then for same organisation put expert 2 under Beneficiary 2.
Answer:
Yes, you have to put your staff costs under Beneficiary 1 (indicate the name of the beneficiary instead of the number) and then for same organisation put your other staff costs under Beneficiary 2 (indicate the name of the beneficiary instead of the number).
You have to insert rows and copy the necessary table as much as you have staff for the same beneficiary.
For expert costs, they would belong to "B.1.3 subcontracting".