

QUESTIONS & ANSWERS

Call for proposals VP/2017/012

"Preparatory action: Reactivate - Intra-EU job mobility scheme for unemployed over 35"

Question 1:

How we calculate the financial capacity of the applicant and also for the co-applicants? Is based on the applicant's turnover? On what years? What else is important for the program from the balance sheet and profit and loss accounts?

Answer 1:

The submission of those documents required by the call for proposals is fully sufficient, please see section 10.1 of the call text for detailed information. Please note that the assessment of the financial capacity is carried out globally for the entire consortium.

Question2:

How should the total budget of the project be shared with co-applicants? It is a limit on the budget of the project that each co-applicant has to have in to the budget of the project, or is depending on the activities?

Answer 2:

Please note that, in order to ensure equal treatment of all potential applicants, the Commission cannot assist in any way in the preparation of individual proposals.

Question 3:

For example in chapter 4.2 Type of action (page 7 guide)...We have to do all the activities from this chapter? What it's obligatory?

Answer 3:

The actions outlined in section 4.2 are not optional. The proposals will be evaluated on the basis of their quality and completeness against the requirements of the call text

Question 4:

How many people over 35 should be employed on this program? Is there a minimum number?

Answer4:

The call text does not set up a quantitative threshold for work placements. Applicants must indicate the number and nature of placements they intend to carry out with their project (see section 4.3 of the call).

Question 5:

People must be employed only in the three countries (country of applicant and co-applicants) or they can be hired anywhere in UE?

Answer 5:

Projects are asked to ensure placements for all eligible EU citizens, irrespective of the place of establishment of the applicant/co-applicants.

Question 6:

What indicators we need to accomplish at the end of the project?

Answer 6:

Specifications on indicators are provided in Annex I to the call, section 7, item "Monitoring"

Question 7:

How many projects have been submitted until now?

Answer 7:

This information cannot be disclosed.

Question 8:

Is it necessary or recommended to prepare an internal cooperation agreement between the beneficiaries' applicants at the submission of the project? If yes, should it be submitted together with the project?

Answer 8:

Indeed, the draft grant agreement requires the conclusion of an internal cooperation agreement. However, there is no requirement to submit this document to the Commission at submission stage (or any other stage of the procedure) since this is an agreement internal to the consortium. For further information, check also section 2 of the document "Financial Guidelines for Applicants".

Question 9:

Could the project manager introduced in the submission form be replaced if needed after the award?

Answer 9:

In case of award, staff may be replaced at any stage of the implementation period but would require prior approval by the Commission.

Question 10:

Does the project manager already need to have an employment contract at the moment of the submission of the proposal?

Answer 10:

There is no requirement to provide an employment contract at submission stage. However, keep in mind that in case of award, only expenditure for staff members of the applicant/co-applicant is eligible.

Question 11:

The check list of the required documents includes the documents that should be provided except for items 7, 10 and 11 which can be submitted only for successful applications. Does this mean that the legal entity form, the VAT certificate and the financial identification form could be sent only after award?

Answer 11:

Indeed, applicants may decide not to submit these 3 forms. We however recommend attaching at least a copy of these three documents to the application.

Question 12:

We understand that the proposals need to be submitted both in electronic and in hard copy version- does the hard copy version need to be original documents with wet ink signatures or can these be copies?

Answer 12:

Please refer to check list available at page 20 of the call text which explicitly stipulates which documents require an original signature.

Question 13:

I am writing to ask you kindly if you could confirm the eligibility of "organisation X", active in sector "Y" as an eligible applicant for the VP/2017/012?

Answer 13:

Please understand that, in order to ensure equal treatment of all potential applicants, the Commission cannot give at this stage an assessment of the eligibility of potential applicants. We kindly invite you to consult the call text, in particular section 8 (Eligibility Criteria). Lead applicants must prove that their core activity is the provision of information, recruitment, matching, placement and pre- and post-placement support to jobseekers, job changers, trainees, apprentices and employers, e.g. through their statutes, etc.

Question 14:

Please reply on the eligibility of International Organisations as co-applicants under the current call for proposals.

Answer 14:

International Organisations may participate in this call for proposals provided they comply with the eligibility criteria spelled out in section 8 of the call text. We draw your attention also to section 12 of the call text, announcing that in case of award, the standard grant agreement as published on the call web-site without deviation is used.

Question 15:

What is meant by: 'The applicant (lead and co-applicants) must have the financial and operational capacity to complete the activity for which funding is requested. Only organisations with the necessary financial and operational capacity may be considered for a grant.'? Why does the EC request this 'necessary financial capacity' and how will it be assessed?

Answer 15:

The European Commission is accountable for the use of EU taxpayers' money. Money used to execute the European programmes and actions must be managed through a series of procedures and rules that ensure maximum impact and minimize the risks of wrong doings; the procedures are based on the financial regulation and the rules of application.

The assessment of the financial viability of the applicant is necessary so as to decide on the need to put in place measures of protection of the EU financial interests, considering that the beneficiary will be bound by the grant agreement and will notably be responsible for the repayment of amounts unduly received.

The financial capacity to complete the activity for which funding is requested means that the applicant must have stable and sufficient sources of funding to maintain his activity throughout the period during which the action is being carried out. To be financially viable, an applicant must possess:

- Liquidity, i.e. be able to meet its commitments in the short term (pay its debts);
- Solvency, i.e. be able to meet its medium-term and long-term commitments;
- Profitability, i.e. be making a profit or at least be able to finance itself; profitability is a measure of a company's viability and sustainability and should enable it to ensure that an action is successfully implemented.

The assessment is carried out by the EC on the basis of financial ratios calculated from data provided in the application form or extracted from supporting documents, i.e. the balance sheet and profit and loss account. The most important of these are general liquidity and financial independence. It must be noted that a weak financial capacity does not automatically lead to a rejection of the application. Indeed, the Responsible Authorising Officer of the EC has the possibility to announce in the call for proposals measures to mitigate the financial risk for the EU. The call for proposals must inform beneficiaries of the various options that may be offered to them if their financial capacity is found to be insufficient.

If, after the in-depth assessment, the applicant's financial capacity is still considered insufficient, the RAO may either reject the application or decide to accept the proposal and:

- offer a grant without pre-financing;
- offer a grant with pre-financing in instalments;
- offer a grant with pre-financing, subject to submission of a pre-financing guarantee;
- impose unconditionally and irrevocably on all beneficiaries, where appropriate, the principle of joint and several financial liability.

Most of these measures are in place for the call for proposals of DG EMPL so even a weak financial capacity will not automatically lead to a rejection of the application but rather to implementing one or more of these measures.