



## QUESTIONS AND ANSWERS

### Open Call for Project Proposals

Call Reference: No 2021TC16IPCB007 – 2025 – 4

under Priority 1: Competitive Border Region

with the specific objective RSO1.3. "Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments."

in the framework of (INTERREG VI-A) IPA Bulgaria – Serbia Programme 2021-2027, CCI Number: 2021TC16IPCB007

No.	Question received	Answer provided
<b>I. <u>Eligibility of Applicants and Activities</u></b>		
1	<p><b>Received on 12.03.2025 via e-mail:</b></p> <p>Is it eligible under the call "soft" kind of projects, which includes investment component under 60% of the project's budget?</p>	<p>According to the Guidelines for Applicants, the current call under Priority 1, Competitive border region, Specific Objective 1.3 (Enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments) only supports "investment", Section: "2.2.3 Eligible Activities only <b>supports "investment" projects. This means that project proposals</b> must mainly include investment activities such as works, supply, and equipment (Budget Category 5 – Equipment and Budget Category 6 – Infrastructure and works).</p> <p><b>Key requirement:</b></p> <ul style="list-style-type: none"> <li>• The investment component <b>must be at least 60% of the total eligible</b></li> </ul>



		<p><b>costs</b> of the entire project.</p> <ul style="list-style-type: none"> <li>The remaining <b>up to 40%</b> can be used for "soft measures" such as studies, networking, training, service development, and awareness-raising activities.</li> </ul> <p>Therefore, if a project does not meet the <b>minimum 60% investment</b> requirement, it would <b>not be eligible</b> under this call.</p>
	<p><b>Received on 12.03.2025 via e-mail:</b></p> <p>The Guidelines for Applicants, under section 7 "Project Preparation Costs," state that eligible preparation costs include the elaboration of technical documentation, which encompasses an energy audit. However, nowhere else in the program is it mentioned that an energy audit is required for a given enterprise. Does this mean that while the cost of an energy audit is eligible for reimbursement as part of project preparation, it is not a mandatory requirement for all applicants?</p>	<p>The Guidelines for Applicants, under Section 7 "Project Preparation Costs," explicitly state that eligible preparation costs include those related to the elaboration of technical documentation, which encompasses an energy audit, feasibility studies, detailed design, and technical drawings. These costs are eligible for reimbursement but are not mandatory for all applicants.</p> <p>Applicants may choose to conduct an energy audit to support their decision-making when selecting specific equipment, preparing an energy efficiency assessment, or evaluating potential energy-saving measures. However, the energy audit is not a mandatory requirement, as specified in Section B: "Supporting Documents," which outlines both required and optional documents.</p>
	<p><b>Received on 12.03.2025 via e-mail:</b></p> <p>"Serbian SMEs are not eligible if they are not majority domestically owned (at least 51%). The company acting as a project partner from Serbia must be at least 51% owned by a Serbian citizen."</p> <p>Are we eligible if we are Serbian company that is owned by US company that is more than 51% owned by a Serbian citizens?</p> <p>With this structure, we already applied for the European</p>	<p>According to the Guidelines for Applicants, in order for a Serbian SME to be eligible, it must be at least 51% majority-owned by a Serbian citizen.</p> <p>In your case, appears that your company is registered in Serbia but is owned by a U.S. company, which is itself majority-owned (more than 51%) by Serbian citizens. While this structure suggests an indirect majority Serbian ownership, the Guidelines do not explicitly address such cases. Therefore, the final decision on eligibility will be made by the relevant program bodies during the project evaluation process.</p> <p>It is crucial that the ownership structure is clearly and unambiguously visible in the Serbian Business Registers Agency (APR), as this will be an important</p>



<p>Commission EIC grant and received the Seal of Excellence.</p>	<p>factor in determining eligibility. Additionally, aside from ownership requirements, your company must meet the SME definition criteria and fulfill the five eligibility conditions outlined in Section 2.1 of the Guidelines.</p> <p>We recommend providing a detailed explanation of the ownership structure and all relevant documentation during the application process, to ensure a well-informed assessment by the Assessment working group during the project evaluation stage.</p>
<p><b>IV. Budget Forecast</b></p>	
<p><b>Received on 12.03.2025 via e-mail:</b></p> <p>According to the Guideline for applicants, regarding the justification of the amount for supply of equipment under the project, the LP and PP needs to be present 3 offers for each kind of the equipment planned within the project. Please, explain based on the prices of the 3 offers for some asset, which price/amount we need to take in account for the project - the lowest price from the 3 offers or the middle arithmetic prices from the 3 offers? For example: if we have the following 3 offers for an equipment "X" - offer 1 for 1000 euro, offer 2 for 1500 euro and offer 3 for 2000 euro, which amount we need to put in the budget - 1000 euro (lowest) or 1500 (middle)?</p>	<p>When the preferred market analysis method involves obtaining three offers, the amount included in the project budget must be based on the arithmetic/average price of the three offers.</p> <p>Furthermore, as outlined in the Guidelines for Applicants, the average price should be calculated at the partner level, taking into account the national inflation rate, if necessary.</p>
<p><b>Received on 12.03.2025 via e-mail:</b></p> <p>Regarding the justification of the market analyses for supply of equipment, instead of the official offers, is it eligible to be presented print screens from internet sites or extraction of catalogues for justification of the amount and technical specifications of the planned equipment?</p>	<p>According to the Guidelines for Applicants, the market analysis must provide a clear and credible justification for the estimated costs and technical specifications of the planned equipment. While official offers from suppliers are the preferred method, alternative sources such as print screens from internet sites or extracts from catalogues may be accepted under the following conditions:</p> <ul style="list-style-type: none"> <li>- The extracted information must be relevant, up to date, and clearly indicate the supplier, price, and technical specifications of the</li> </ul>



		<p>equipment.</p> <ul style="list-style-type: none"> <li>- The source (website, catalogue, etc.) should be verifiable, meaning that the provided information must allow for independent confirmation.</li> <li>- The information should be presented in a structured manner that facilitates evaluation and comparison during the assessment process.</li> </ul> <p>However, please note that the final decision on the acceptability of such documentation will be made during the evaluation stage, based on its clarity, reliability, and compliance with programme requirements.</p>
	<p><b>Received on 12.03.2025 via e-mail:</b></p> <p>Is it eligible the lump sum of 12 000 euro for preparation to be use for covering only for the elaboration of project proposal and application form?</p>	<p>The lump sum can be used for the elaboration of the project proposal and application form, as these are explicitly mentioned as eligible preparation costs. However, the guidelines indicate that preparation costs may also cover other expenses such as consultancy, technical documentation, translations, taxes, and other charges. While the lump sum is provided as a fixed amount regardless of actual costs incurred, it is advisable to ensure that all necessary preparation expenses are covered within this sum.</p> <p>Also, please bear in mind that the amount shall be included in the respective project <b>lead partner’s budget</b> at the application stage.</p>
	<p><b>Received on 12.03.2025 via e-mail:</b></p> <p>Is it needed the project preparation costs to be carried out and paid before or on the date of submission of the project proposals, to be eligible and reimbursed?</p>	<p>The project preparation expenditures must be incurred no later than the project proposal submission date. To be eligible for reimbursement, the project has to be approved for financing by the Monitoring Committee and to be concluded Subsidy contract with the Managing Authority. The reimbursement is in a form of a lump sum up to EUR 12 000 (project preparation expenditures for projects).</p> <p>The amount shall be included in the respective project lead partner’s budget at the application stage and reported by the lead partner in the first partner report at implementation stage.</p>



**Received on 12.03.2025 via e-mail:**

Is it obligatory to put in the project's budget project preparation costs? If we do not use this type of costs, can we just not put it on the project's budget?

Including project preparation costs in the project's budget is not obligatory. The guidelines state that the lump sum for preparation costs shall be included in the lead partner's budget at the application stage, but they do not indicate that it is mandatory. If the project partners decide not to use this type of cost, they can simply exclude it from the project's budget. However, once included, the lump sum must be distributed among partners in a fair and transparent manner, as stated in the Project Partnership Agreement.