

Call for Proposals Support to small business in Montenegro NFYMNE 01-2021

Frequently Asked Questions, 24 November 2021

This document serves as a record of the clarifications provided to stakeholders regarding the Call for Proposals NFZMNE 01-2021 in response to their questions posed by email, telephone and in the Informative sessions of the Call. The answers to the questions obtained are summarized in this document.

Q1	Is it mandatory to provide 5% for visibility and networking activities?
A1	It is not mandatory to provide up to 5% for visibility and networking activities.
Q2	What is meant by a request for two signed references in the application?
A2	References refer to recommendations from donors, partners or final beneficiaries.
Q3	What type of document to send for the criterion related to documented grant management experience?
A3	For this criterion, one should have, for example, a grant agreement that has been implemented (take out sensitive data) or similar documents.
Q4	Is it necessary to submit proof of registration not older than 3 months?
A4	Yes. Proof of registration not older than 3 months is required.
Q5	Can an NGO be an applicant in cooperation with any of the municipalities?
A5	An NGO that supports the development of small business can be an applicant in cooperation with one or more municipalities.
Q6	Could organization of a music festival in the preparation of which small enterprises would participate, be an acceptable type of activity supported by the Call?
A6	If this activity contributes to the development of small enterprises that are included in the project proposal and belong to the supported sectors and if this contribution is clearly presented, then it will be taken into consideration.

Q7	Can the Public Call support the establishment of an education center by a LTD (for-profit organization) in which systemic training would be organized and the necessary equipment procured?
A7	The Public Call only supports small business support entities that operate on a non-profit basis, and LTDs can be final beneficiaries, if they are micro and small enterprises.
Q8	What should be the role of municipalities as partners and what is expected of them?
A8	The role of a municipality as a partner should be active and clearly presented in the project proposal by linking to specific activities, whereby the roles of all partners must be clearly separated.
Q9	Is a project proposal related to the formation of one small business acceptable, or does the Call refer only to the transformation of an already existing business, at least 5 of them?
A9	The project proposal must support at least 5 small businesses that have already been registered by the time of project submission.
Q10	Do payments to a partner only relate to HR costs (human resources)?
A10	Yes. The partner is paid only for HR (for the purposes of this Call, human resources are considered management and coordination staff of the lead organization and partner LSGs in charge of planning and implementing activities), where the partner's human resource costs should be at least 30% of the total planned budget for human resources costs.
Q11	Can services, activities, etc. be paid through the project partner municipality?
A11	For the needs of the project, a special dedicated sub-account is opened to which the total project planned funds are paid (including the applicant's or partner's contribution if any), so that services, activities, etc. cannot be paid through the partner, but only from this dedicated sub-account.
Q12	Who on behalf of the municipality can sign Annex V - the statement of the partner organization?
A12	The statement of the partner organization can be signed by a person who is authorized to represent the municipality, i.e. has a deposited signature.
Q13	What to do in case the project proposal envisages 5 final beneficiaries from 5 different municipalities?
A13	The project proposal which envisages 5 final beneficiaries from 5 different municipalities is acceptable.
Q14	If an agreement is signed with 2 municipalities, are HR costs still at least 30%?
A14	If an agreement is signed with 2 municipalities, HR costs for municipalities still remain at least 30% of the total costs for HR?

Q15	If the applicant applies as a cluster of 17 companies, are the costs of fees for mentors employed in cluster companies and small business for training and workshops justified? Does that fall under item 4 of the budget?
A15	This is an eligible cost if the small businesses from which the mentors come are not covered by the project proposal as final beneficiary and this would fall under item 4 of the budget.
Q16	Is it possible to include in the budget the engagement of an expert to strengthen internal capacities, for the financing of which 9-11% is provided?
A16	It is possible to include in the budget the engagement of an expert for strengthening internal capacities for whose financing 9-11% is provided if this activity is aimed at strengthening capacities in the long run, and not only for the needs of this project, i.e. at strengthening the organization's capacity for the needs of expanding the organization, for example.
Q17	Does the project Norway for You provide the support for public health projects or donate missing funds for IPA projects?
A17	The project does not envisage donations for missing IPA funds. As for the supported areas, they are presented in the Call under the following headings: 4.1 Intervention sectors 4.2 Eligible activities 4.3 Eligible types of activities
Q18	Is a partnership with the local self-government obligatory within the project proposal?
A18	Partnership with local self-government is mandatory, where the organization must be the lead partner, i.e. the organization submits the application.
Q19	Is it obligatory to accurately map and list the companies that will be targeted by the project?
A19	It is obligatory to accurately map and list the small businesses that will be targeted by the project, as well as to give an explanation, i.e. the criteria you were guided by when choosing them.
Q20	Are private accommodation service providers registered in the Central Tourist Register on the basis of the Law on Tourism and Catering ("Official Gazette of Montenegro" No. 2/18, 4/18, 13/18 and 76/20) considered as final beneficiary of the project, i.e. small businesses that can be supported by the subject?
A20	All subjects that belong to the sectors or can be subsumed under one of the sectors indicated by the Call, have revenues, i.e profits and are registered in adequate registers, can be final beneficiaries. Take care that they need to meet other conditions provided by the Call.
Q21	What are the ineligible costs?
A21	Ineligible costs are listed in subheading 5.3 of the Call for Proposals.
Q22	Is the Covid test an acceptable cost in case the project hires experts from abroad?
A22	All costs that do not fall into the category of ineligible costs and are related to activities and are included in the budget of the project proposal are eligible.
Q23	How long does an organisation need to exist in order to be eligible to apply?

A23	The applicant entity may exist for less than one year, provided that it meets the criteria to have a recorded income of at least EUR 5,000 for that period and meets the other criteria under Chapter 9 of the Call.
Q24	Can project beneficiaries be registered agricultural households?
A24	Registered agricultural households can be final beneficiaries of the project.
Q25	When it comes to partnership, can the partner be a municipal secretariat or a tourism organization established by the municipality, or exclusively the municipality?
A25	The project partner can only be the LSG, which, only due to the specifics of the project, can further delegate to a municipal authority the implementation of the project on behalf of the LSG.
Q26	Since there are companies whose founders are municipalities, therefore these companies share the burden with municipalities when it comes to regular payment of taxes and contributions on wages, and since this is one of the eliminatory criteria and since municipalities are late with the payment of contributions, how can the company apply and not be eliminated?
A26	Such a company can apply, if there is a plan for the payment of arrears or some other guarantee that it will be paid.
Q27	Can an agricultural household apply for the construction of a milk and cheese production facility?
A27	An agricultural household can only be the final beneficiary. The applicant must be one of the entities listed in subheading 9.2 of the Call.
Q28	Can all final beneficiaries be from the same sector?
A28	Final beneficiaries can be from the same sector.
Q29	In case the final beneficiary wants to hire one person, are the costs of paying salaries and contributions eligible?
A29	The cost of paying salaries and contributions is not an eligible cost.
Q30	If the organization/company has already been a beneficiary of previous grant schemes, can it apply for this Call as well?
A30	An organization/company that has already been a beneficiary of previous grant schemes can also apply for this Call.
Q31	Is the project partner - the municipality - allowed to be a partner in more than one project proposal? Are there any restrictions for any municipality?
A31	Yes, the partner municipality can be a partner in several project proposals of different applicants. In this sense, there are no restrictions for any municipality.
Q32	Please explain to us how the share in the fees of the representatives of the Municipality would be calculated, i.e. whether the representative of the municipality presents his contribution as part of the regular salary he receives in the municipality and in that case submits us payrolls, and afterwards that part of the funds gets paid to the account of the municipality?
A32	As for the calculation of fees for municipal representatives who will participate in the implementation of the project proposal, you must agree with them, in accordance with applicable regulations, and we have no special requirements in this regard. In the project application phase, you will budget them and enter that cost in the budget as well as for other team members with the appropriate description. In the project implementation phase, when reporting, these costs are proven by documents such as contracts, annexes to contracts, appointment decisions, etc., as well as by filling in timesheets for which we will provide you with a special template.

Q33	Are there any guidelines on the distribution of roles, i.e. recommendations on what activities the municipality should perform, or do we create it ourselves in agreement with the representative of the municipality and in accordance with their activities in the field of SME support?
A33	There are no specific guidelines for the distribution of roles in this sense, except that all partners must actively participate and that these roles must be clearly defined in advance. It is up to you to agree with the Municipality who will do what and in what way.
Q34	We have doubts about Article 9.3 of the hedding Finance, paragraph 1, which states that the applicant is obliged to have in the income statement for 2019 and 2020 recorded revenues of at least EUR 10,000. Does this item imply that it is the total amount for both mentioned years or does it refer to the amount for each year individually?
A34	The amount of EUR 10,000 from Article 9.3 of the hedding Finance refers to both years cumulatively. We introduced the income statement for 2019 precisely because of the fact that 2020 was much worse for almost all business entities.
Q35	We plan to improve the business environment for specific small businesses, i.e. to provide them with space for receiving tourists and adapt the sanitary facilities. For this, we planned to buy them work materials and installation to be their participation. Is that an eligible cost?
A35	Costs for interventions related to capital investments (renovation / construction) are not allowed. However, if this investment is necessary to achieve a specific outcome for the targeted small businesses and does not relate exclusively or mainly to capital investment, then these costs may be eligible. We note that in the presentation of the project, special attention is paid to the aspect of feasibility and sustainability of the entire intervention and the project, as important criteria for project evaluation. So, the goal itself cannot be construction or renovation, but you have to formulate it so that the construction or renovation will contribute to some other precisely set goal, that is, you have to have rounded activities to prove feasibility of the outcomes and guarantee sustainability.
Q36	When it comes to the ID number of the official representative of the partner in the project application forms, is there a possibility to put alternative information since the ID number is personal data?
A36	Since the partners in this Call are municipalities (local governments) exclusively , you can put the PIB of the municipality or similar alternative information in the form, instead of the number of the identification document. As for personal data submitted by applicants and users, they are stored and handled in accordance with applicable law and will not be used for other purposes.