



24 February 2010

## Clarification No 2 for open call for proposals

**For the award of Framework Partnership agreements concerning European Topic Centres on Air Pollution and climate change mitigation 2011-2013 (EEA/ACC/10/001 – ETC/ACM), and Climate change impacts, vulnerability and adaptation 2011-2013 (EEA/NSV/10/001 – ETC/CCA), and Inland, coastal and marine waters 2011-2013 (EEA/NSV/10/002 – ETC/WTR), and Spatial information and analysis 2011-2013 (EEA/NSV/10/003 – ETC/SIA)**

### Question 1:

A question has been received as to the wording of the signed letters of intent for consortium partners to participate and provide co-financing (Section 6.4 (c) 3 of the terms of reference).

### Answer 1:

*The letter of intent shall indicate (1) that the partner is willing to participate in the work of the future European Topic Centre for the period 2011-2013; (2) that as partner of the consortium the partner undertakes to participate fully in the activities of the ETC as defined in the work programmes by making available the relevant experts, named in the proposal and possibly that if for any unforeseen reason any named expert may not be available at some point during the contract period, the partner will arrange adequate replacement; and (3) how the partner intends to co-finance the work of the future ETC.*

### Question 2:

Where an institute is not a private partner please advise what evidence would be accepted as 'proof of stable and sufficient sources of funding to maintain the consortiums activities throughout the period 2011-2013 (Section 6.4 (b) of the terms of reference)?

### Answer 2:

*Proof of stable and sufficient sources of funding may be provided through one of the following documents (the list below is not exhaustive):*

- *Appropriate statements from banks or evidence of professional risk indemnity insurance;*
- *A copy of the approved annual budgets and/or annual financial reports;*
- *Existing and expected sources of funding from third parties with confirmation of the funding or letter of intents from supporting third parties;*
- *Appropriate legal documents documenting the legal existence of the organization and that the organization is established according to the respective national law(s).*

*If for some exceptional reason, which the contracting authority considers justified, the applicant is unable to provide the reference requested, he may prove his economic and financial capacity by any other means which the contracting authority considers appropriate (e.g. a declaration on his honour).*

**Question 3:**

For a Public Limited Company please confirm that the profit and loss accounts, balance sheet for the last financial year for which the accounts were closed will suffice

**Answer 3:**

*Indeed, Public Limited Companies are not requested to provide an audit report certifying the accounts for the last available financial year. Please refer to section 6.4 (b) of the terms of reference, footnote No 31.*

**Question 4:**

Should the level of co-financing by the consortium increase above 10% is it the Agency's intention that the maximum funding from the Agency would reduce in line with any increase in co-financing?

**Answer 4:**

*Pursuant to Article 109.2 of the Financial Regulation applicable to the general budget of the European Communities<sup>1</sup>, grants may not have the purpose of effect of producing a profit for the beneficiary. Please refer also to Article II.20.2 of the draft Framework Partnership Agreement (FPA). According to Article 165.1 (a) of the Implementing Rules of the Financial Regulation applicable to the general budget of the European Communities<sup>2</sup> profit means a surplus of receipts over the costs incurred by the beneficiary when the request is made for final payment. Consequently, the grant shall be limited to the amount necessary to balance the work programmes' receipts and expenditures. Please refer also to Article 3.1 of the draft specific agreement.*

*In accordance with the provisions of Article II.20.7 of the FPA, the agency financial contribution might indeed be proportionally reduced in line with the amount of co-financing.*

**Question 5:**

In some cases actual organizational overheads, as a proportion of direct costs, may be in excess of the 20% flat rate for indirect costs allowed under the agreement. If this should be the case for any consortium member would any such quantifiable excess be deemed to be co-financing by the consortium member?

**Answer 5:**

*Pursuant to Article II.17.9 (FPA) indirect costs are eligible for flat rate funding of maximum 20% of the total direct eligible costs, with the exception of subcontracting costs. Any amount exceeding this 20% ceiling would be considered as non-eligible cost and should not be accounted for in the calculation of co-financing. Please refer also to Article I.6.3 (FPA) which provides that contributions involving real estate shall be excluded from the calculation of the amount of co-financing.*

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<sup>1</sup> Council regulation (EC, Euratom) No 1605/2002 of 25 June 2002, OJ L 248, 16.9.2002, p.1 as last amended by Council Regulation (EC, Euratom) No 1525/2007 of 17 December 2007, OJ L 343, 27.12.2007, p.9.

<sup>2</sup> Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002, OJ L 357, 31.12.2002, p.1 as last amended by Commission Regulation (EC, Euratom) No 478/2002 of 23 April 2007, OJ L 111, 28.4.2007, p. 13.