

## **Partnership**

**Is it possible to designate one auditor for the Beneficiary and all of the project partners?** According to the Section 3.3.2.1 of the Guidelines for Grant Applicants all projects implemented within the Programme are subject to expenditure verification for projects, and the compliance of such expenditure with the provisions of the Grant Contract signed between the Joint Managing Authority and the Beneficiary. The Beneficiary shall designate an auditor that shall examine whether costs declared by the Beneficiary and its partners are real, exact, accurate and eligible in accordance with the Grant Contract. The project partner(s) in cooperation with the Beneficiary are responsible for designation of the partner's auditor(s) – either one per all partners located in the respective Programme Participating Country or one per each project partner or one per the project. Please note that audit service is subject to procurement procedures described in section 3.2.5 of the Guidelines for Grant Applicants.

**If one of partners is SME, will the public partners also have to co-finance 50%?** Co-financing is calculated separately for each project partner depending on its legal status. According to the Guidelines for Grant Applicants, Section 2.1.2.1 applicant and each project partner must contribute not less than 10% of its total eligible costs to financing of the project. For the private partner (as set in the section 2.1.1.1 of the Guidelines) participating in the project supported under the Priority 1 the maximum co-financing from the Programme cannot exceed 50% of the total eligible costs for respective project partner.

**What is the required partnership in the project?** Each project shall involve at least two partners, of whom at least one project partner shall be located in the Programme area in one of the Member States (Estonia and Latvia) and at least one project partner located in the Programme area in Russian Federation.

**In the Guidelines it is used terms applicant and beneficiary, what is the difference between them?** According with ENPI Implementing Rules the body which signs a grant contract with the Contracting Authority and which assumes full legal and financial responsibility for project implementation vis-à-vis that authority, is called 'Beneficiary'. Until the grant contract is signed, anybody that submits a proposal is called 'Applicant'.

**Is the legal entity as NGO eligible if it is established less than 1 year ago?** An NGO acting as the Beneficiary or the project partner should documentary prove its operational and financial capacity acting for at least one year before announcement date of this Call for Proposals (i.e. 23 August 2010).

**Are there restrictions for SME partner on project or partner level?** The restrictions (50% co-financing rate and max grant of 200 000 EUR) apply to SMEs involved as partners in the projects under Priority 1.