|  |
| --- |
| **1. How many external audits shall be carried out during the project implementation period? Will it be necessary to have each partner’s expenditures audited separately (e.g. an audit on the Polish side and an audit on the Russian side)? Shall expenditure verification costs be foreseen in the budget for each project partner ?** |
| The number of audits of consolidated reports during the project implementation period will depend on the option of receiving funds from the Managing Authority, which will be chosen by the project:   * in case of choosing Option 1 (pre-financing max. 35% + interim payment max. 50% + final payment 15%) it is necessary to plan 2 audits of consolidated reports (interim and final reports); * in case of choosing Option 2 (final payment 100%) it is necessary to plan 1 audit of a consolidated final report.   However, before the audit of a consolidated report, each project partner, including the lead partner, has to prepare an individual report for a given period that will be audited (each partner will select their auditors). Only after that the lead partner should prepare a consolidated report covering all project expenditures (i.e. from all partners for the given period) and submit it for verification to the lead beneficiary’s auditor. Then, the consolidated report approved by the auditor will be subject to verification by the Programme authorities. Therefore, the project should carefully plan the number of audits of consolidated and individual reports and foresee relevant costs in the budget. The Programme requirements for selecting Polish and Russian auditors will be specified at a later stage. |
| **2. In what budget heading shall payments for investment/engineering supervision be placed? Is it necessary to sign contracts with each building supervisor and set an amount of remuneration? Or is it possible to choose a building supervisor, for example, within a tender, and commission this organization to carry out engineering supervision?** |
| Investment supervision may be entrusted to an external company. According to the definition of the infrastructure component (point *2.3.2* *Character of projects* in the Programme Manual), the infrastructure component includes, inter alia, costs of works and services related to (re)construction, renovation, installation of infrastructure and **its supervision** (…). Therefore, costs related to investment supervision should be included in Budget heading 6 Infrastructure component. Procurement procedures related to these expenditures should be carried out in compliance with relevant national legislation. |
| **3. May a cost of using a private car for business trips be treated as an eligible cost within the project?** |
| In well-justified cases it is possible to use private cars for business purposes and cover the related costs (i.e. car insurance and fuel). However, please bear in mind that in point *6.5.2 Travel and subsistence costs* in the Programme Manual it is written that only costs related to travel of the beneficiary's employees can be included in Budget heading 2 Travel and subsistence costs. |
| **4. A project is planned to be focused on renovation of several historic buildings for touristic purposes. In addition, the project partners would like to develop recreational areas in their towns. They are asking whether the development of these recreational areas (referred to the product indicator: Number of new and/or conserved modernised/adapted tourist infrastructure facilities increasing the preservation…) has to be directly connected to historical/cultural/environmental heritage ? Is it possible to create, for example, some sports infrastructure, which will be located near a historic area ?** |
| When developing a project proposal, the beneficiaries are recommended to consult the description of the Thematic Objectives and the lists of indicative actions in point *1.3 Thematic objectives and priorities* in the Programme Manual. Also, it is important to remember that a project and its actions must be coherent. Therefore, it is necessary to focus on linking the planned activities on the basis of their content rather than their physical location. |
| **5. What currency rate should be used to fill in the budget of the project? Should any fixed exchange rates be applied by the beneficiaries when they are planning their expenditures (most likely, estimating them in the national currencies first and then developing the project budget in euro) ?** |
| Bearing in mind that the beneficiaries take an exchange rate risk and the exchange rate differences are not eligible, it is important to estimate the EUR/PLN and EUR/RUB exchange rates in the safest and most realistic way. The beneficiaries have a possibility to choose the most appropriate exchange rates by themselves. They can use the exchange rates published on the INFOREURO website, but this is not obligatory. |
| **6. Is it possible to develop some documents (e.g. a research study), which will concern an area not covered by the Programme, within a project?** |
| According to the Programme rules, all projects should be implemented in the Programme area. However, in exceptional cases, projects may be partially implemented outside the Programme area, provided that all of the following conditions are met:   * projects are necessary for achieving the Programme’s objectives and they benefit the Programme area; * the total amount allocated under the Programme to the activities outside the Programme area does not exceed 10% of the Union contribution at the Programme level; * activities outside the Programme area cannot be of investment and/or infrastructure character. |
| **7. Can an institution located outside the Programme area take part in a project ?** |
| Yes, it is possible. However, such an institution has to fulfill some conditions. In addition to meeting the general eligibility requirements for partners, all of the following conditions have to be met:   * it is established in Poland or Russia; * its participation is required by the nature and by the objectives of the project and is necessary for its effective implementation; * the total amount allocated under the project to these beneficiaries does not overcome 20% of the total eligible costs. |
| **8. Is it possible to treat funds obtained, for example, within some internal agreements between municipalities, as a partner's own contribution ?** |
| There is no obligation to enclose any internal documents to the application form in order to show a financial composition of the beneficiary’s own contribution. In point *9.4/10.4 Sources of financing* in the application form, the beneficiaries are asked to describe in what way their own contribution to the project budget is secured but the way of securing these funds is an individual matter of each beneficiary. |