

DSP tender, Q&A

week 52,1,2 , 20 December – 10 Januari

- If, because of valid reasons, audited reports of financial accounts for the year 2018 will only be available after the closure of the submission date (Feb 28, 2019) of the grant application, would this exclude an organisation of the bid?

Answer:

D6 and D10 of the application form: If no unqualified audit opinion can be submitted for annual accounts for any of the years concerned, this threshold criterion is not satisfied. In a tender procedure it is not possible to consider documents that have been submitted after the deadline for submission.

- In the application form, under D.12, a budget for the first five years of the project is asked for, while under D.15 the applicant is asked to request the full grant amount of €100 million via the budget. Should the budget be elaborated in detail for the first five years or for the full ten years?

Answer:

The budget should give an overview of the allocation of expenditure during this initial five-year period to the different cost categories and countries, using the budget model (appendix 2 to the grant policy framework). For the second five-year period it is sufficient to give a preliminary estimation of the total expenditure per country and across the different countries.

- Related to Criterion D.9 (Maximum remuneration), specifically the limit of \$205,350 for US based organizations:

Q.1 Is the \$205,350 limit only looking at Base Salary and are post allowances such as COLA, Housing, Education allowances etc. considered remuneration or excluded from the \$205,350 limit?

Q.2 Should be assumed that US based organizations should exclude insurance contributions by the employer such as long/short term disability, accidental death and dismemberment, life, health insurance etc. as remuneration and are not included in the \$205,350 remuneration limit? Employer contributions to insurance plans is not considered taxable income in the United States.

Q.3 Contrary to European defined benefit pension plans most entities in the US only offers defined contribution pension plans. Contributions by the employer are not taxed at the time of contributing. We understand that employer contributions to defined pension plans are not considered remuneration?

Q.4 How does any deferred compensation factor into the \$205,350 maximum limit?

Q.5 How is compliance with the maximum remuneration limits to be verified and corroborated?

Q.6 Are the maximum remuneration limits based off a 2020 salaries structures?

Answers:

A.1 Allowances related to postings abroad are if taxable under local tax laws considered as part of the remuneration (component under b).

A.2 Insurance contributions will be considered as remuneration (component under a) if it concerns insurances in which the organization participates in voluntarily.

A.3 Employer contributions to defined pension plans are considered as remuneration (component under c).

A.4 Deferred compensation is an arrangement in which a portion of an employee's income is paid out at a later date after which the income was earned (e.g. pensions, retirement

plans, and employee stock options). This is part of the remuneration (component c) so will factor into the \$205,350 maximum limit.

A.5 Remuneration of staff and employees can be subject to audits.

A.6 The remuneration levels as per starting date of the grant are applicable.

- Threshold D.9: In case an organisation has board directors who receive no income from their roles as directors of the organisation, do not work actively on the business undertaken day to day by the organisation, but receive remuneration through the work that they do for other companies within a holding of which the organisation is member, can MOFA confirm, as the remuneration of these directors is not from this organisation, that it is not required to include their remuneration in the terms of D.9?

Answer:

It is sufficient to submit the remunerations of the management and board members that are paid directly by the applicant or co-applicants.