

### FREQUENTLY ASKED QUESTIONS (FAQ) ASKED BY PROJECT PROPONENTS

NO.	QUESTIONS	RESPONSES
1	Will recipients be affected by the Euro Exchange Rate	Grant recipients are not expected to be adversely affected by exchange rate fluctuations between the USD and EUR given the risk mitigation approach being utilised under the Project. It is also important to note that grants contracts will be signed in USD.
2	Can counterpart be calculated retroactively to include inputs by applicants during the project formulation process?	Generally, counterpart (similar to eligible project costs) needs to occur after the approval of a grant (see 2.3 of the Guidelines to Applicants). The 5Cs is currently investigating the possibility of booking counterpart resources during the project formulation phase.
3	Can evaluation scores or critique on Project Concepts be provided to preselected applicants by the PIU, so applicants are aware as to what aspects of their concepts are weak and therefore where special emphasis on improvement should be placed	While the detailed evaluation scores will not be shared with pre-selected entities, the National Coordinators assigned to each country will work closely with each entity to address any weaknesses that may have been previously identified.
4	What are the terms and conditions governing the participation and involvement of partners?	Partners are key players in the project, and have a strategic role to play in ensuring the success of the project. Partners that take on responsibilities for certain activities or processes will be able to receive funding to cover the eligible costs directly related to advancing those project activities or processes.
5	Can partners be sole-sourced? If not, how can partners benefit from the project?	Partners are co-owners of the project with the Applicant. The concept of sole-sourcing refers to identifying a service provider linked to a procurement need. Partners are not external service providers; these are expected to be strategic allies critical for project success. As stated in Response #4, Partners that take on responsibilities for certain activities or processes will be able to receive funding to cover the eligible costs directly related to advancing those project activities. The implementation logic of the project will need to describe and justify these arrangements.

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6	Can partners bid on procurement opportunities advertised by the primary applicant?	No, this is a conflict of interest.
7	How will General Consumption Tax be handled? Will 5Cs address this issue directly with governments?	Consumption taxes such as VAT are eligible costs under the Project unless the successful Applicant and/or its Partner(s) can reclaim them. The 5Cs is willing to make the necessary representation to the relevant national authorities to investigate the possibility of waivers under this project (if required). This is in an effort to maximise the use of the limited grant resources on productive activities consistent with the project's objectives.
8	Can project funds be used to fund in-house technical staff of applicants?	Yes, the Applicant's or Partner's technical staff can be funded under the project, valued at the proportion of time spent by staff implementing specific project activities. This value can be booked as counterpart or funded from the grant resources or a combination of both. Additionally, the proportion to be funded from grant funding cannot exceed 15% of said funding.
9	Within the context of the budget template, can the 5Cs provide some guidance on what is the difference between 'staff' and 'consultancies'? Said differently, can staff be hired as consultants?	Staff refers to internal human resources resident within the Applicant's and/or Partner's organisation on the payroll. While consultants are resources hired in through a procurement process to deliver specific outputs/service(s) as defined within a contract.
10	Considering that applicants may be implementing multiple grants from different donors using to some extent, the same offices and infrastructure, what portion of utility costs of an organization can be charged to project funds?	This Project accounts for these types of overhead costs by providing each successful Applicant with up to 7% of the eligible direct costs. No supporting documentation will be required to access this indirect cost budget line.
11	Is it an absolute requirement that grants funds be placed in a separate account?	Yes. This will be a critical pre-requisite for funds to be disbursed.
12	Are there restrictions/limitations on what kind of equipment can be purchased with project funds? For example, can a vehicle be	The purchase of equipment is an eligible cost provided that such equipment is necessary to the direct implementation of the Project. Projects with acquisition of capital goods, in particular,

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	purchased?	must document strong sustainability features in their project proposals and be proportionate to the project scope.
13	Can vehicles owned by the applicant and used in project implementation be serviced/maintained using grant funds?	Vehicles used in support of project activities will be based on direct transportation costs i.e. specific travel activities and related mileage at a rate to be determined and agreed. This rate is expected to cover any fuel cost and contribute to related costs for utilizing the asset.
14	Will Terms of Reference for consultancies need to be approved by the 5Cs before the contracting process can continue?	The tender packages, which include a Terms of Reference (in the case of consultancies), will require no objection.