

LIST OF THE MOST FREQUENT ERRORS BY APPLICANTS

The EEA Financial Mechanism and the Norwegian Financial Mechanism – first call for proposals in Poland

General remarks

- Most applications contain errors and omissions. Applications are sent by post at the last moment – however, it is the date of receipt of the application by the relevant office that is critical.
- Paper and electronic versions of an application differ – they must be identical.
- The documentation attached is of incorrect scope and out of date.
- Information presented in the application is not logically connected or consistent with that given in the application and attachments (particularly in financial tables, objectives and indicators, and the logical framework).
- Ceilings of grants available to the project are not observed nor project amounts and proportions between shares in the various categories of costs.
- Many costs are wrongly considered as eligible.
- Unrealistic schedules for the project implementation are set that do not include a time for the appraisal of application and a possible tender procedures.
- Certain sections in the application form are left blank; in case when a section of the application form is not relevant to the project (e.g. it concerns a partnership whilst the project will not be implemented by partnership), The term “Not applicable” should be written with a brief explanation. Sections relating to cross-cutting issues, including gender equality, should always be descriptive, even if the project objectives are not directly linked to such issues.
- It is an error to permanently staple or bind the application. The pages of the applications should not be submitted as loose sheets: they should be held in a ring-binder with attachments separated from one another using partitioning inserts.

- The most common omissions in the documentation are missing attachments related to the applicant's eligibility, co-financing provision, feasibility study, applicable permits, balance sheets, or detailed information on the methods of the project implementation (e.g. information about the recruitment of participants in trainings or conferences etc.)

Application form

(the numbering follows the updated version application form)

2. Type of application

Certain applicants wrongly select “outline application”, while following the procedures binding in Poland, only a complete application must be submitted. So always select “complete application”;

4. Description of the operation

In their project descriptions, applicants incorrectly identify a specific priority sector under which the project should be submitted (example: a project concerning thermo-isolation in a health care establishment should be submitted within the priority “Protection of the environment, including the human environment, through, inter alia, reduction of pollution and promotion of renewable energy” instead of the priority “Health and childcare”). It should be remembered that in the Polish implementation system of the Mechanisms, types of activities under various priorities cannot be combined.

4.3 Activities and schedule

- Schedules prepared by applicants are too general, do not specify stages of the project, do not detail specific activities, do not give a quarterly breakdown for the implementation of such activities, along with a specification of cash amounts for each stage;
- Many applicants wrongly categorise project expenditures, considering certain costs as eligible, though according to the rules for implementation of the Mechanisms they are ineligible; special attention should be drawn to activities undertaken before the assistance for the project has been granted (ineligible costs) and to the activities undertaken after the assistance (offer of assistance) has been granted by the donor states, which is the starting date for the eligibility of costs;

- Applicants do not indicate an estimated period (a quarter of a year) in which the grant offer may be made by the donors, which constitutes the starting point for the eligibility of costs;
- While preparing a schedule for the project implementation applicants do not allow for a period for the appraisal of applications in a given call for proposals (ca. 8 months) and for tender procedures, including a period set aside for protests and appeals, if any;
- Applicants wrongly include contingency reserve amounts as eligible costs. It should be remembered that these fall under ineligible costs, i.e. they are directly charged to the applicant;

4.4. Objectives and indicators

- The completion of this section does not release the applicants from their obligation to attach a logical framework to the application (if it is required for the relevant type of project under a priority area in question). Failure to enclose a logical framework is treated as an error;
- Objectives and indicators given in an application are inconsistent with objectives and indicators given the logical framework;
- The indicators are inaccurate and are often overestimated;

4.5.1 Partnership

- Applicants fail to attach required documents to confirm the establishment of a cooperation or partnership for a joint implementation of the project (such as a letter of intent, a partnership agreement);
- Applicants “conceal” a partner in the project – it should be remembered that an entity that provides a substantive (not financial) contribution to the project implementation (e.g. lectures/training delivered free of charge by a national or foreign entity) should be also considered as a partner;
- Partnership agreements or other documents attached to confirm the establishment of cooperation did not comply with national regulations;

4.5.2 Management structure during the implementation, including financial management

- Management structures presented by applicants do not comply with the requirements specified in the application form user guide;

5.1 Grant applied for and the total cost of the operation

- Applicants include ineligible costs of the project in points 5.2 and 5.3. Ineligible costs should only be stated in point 5.1;
- Inconsistent information between financial tables 5.1, 5.2 and 5.3 was often noted;

5.2 Budget

- Calculation errors often occur in financial tables;
- Applicants forget that the completion of this section does not release them from the obligation to enclose attachments confirming the co-financing readiness of the project and attaching a detailed budget to the application;
- A detailed budget of the project does not show which costs have been included in which category in table 5.2 (this refers especially to cash outflows);
- The amounts shown in the application do not match with amounts in investor's cost estimates;
- Information about the eligibility of VAT was wrongly presented in the budget section. In the case of VAT eligibility, gross amounts should be shown, while in the section "remarks" below the table the eligibility of VAT should be justified and its amount as a percentage and a cash sum indicated, while in the case of VAT ineligibility, net amounts should be indicated in the table, thus the tax is not included in the amount of grant applied for;
- The cost of the project management exceeds the maximum acceptable ceilings (since the call for proposals in 2006 this cost cannot exceed 10% of eligible costs of the project);

5.3 Financial resources

- Applicants forget that the completion of this section does not release from the obligation to enclose attachments confirming the co-financing readiness of the project and a detailed budget;
- Applicants forget to indicate a request for advance payment in a "remarks" section below the table;
- Applicants applying for a 10% advance payment very often wrongly include this amount into the total costs of the project (advance payment is made only on the basis of the donors' decision). As a result this amount is often missing in the finances for the project;

5.4 Financial and economic analysis

- Applicants forget that the completion of this section does not release them from the obligation to enclose the attachment titled *Financial and economic analysis* to the application (if required for the relevant project type under the priority sector in question);

7. Publicity

- Applicants forget that the completion of this section does not release them from the obligation to enclose the attachment titled *Promotion plan* to the application;
- Applicants overestimate costs for the project promotion;

8. Risks and risk management

- Applicants forget that the completion of this section does not release them from the obligation to enclose the attachment titled *Risk analysis* to the application (if required for the relevant project type under the priority sector in question);

9. Cross-cutting issues (9.1.1 - 9.1.3)

- This point is often left blank by applicants. Even in the event that the project grant is not directly connected with sustainable development issues, the consistency of activities with sustainable development in the environmental, economic and social aspects should be ensured in its implementation (see detailed guidelines of donor states concerning sustainable development);

9.2 Gender equality

This point is often omitted by applicants, which is an error. Even in the event that the project is not directly connected with the issue of gender equality, the consistency of activities with this concept should be ensured in its implementation (see detailed guidelines of donor states concerning gender equality);

9.4 Bilateral relations

- Applicants often indicated in point 2 of the "*Description of the operation*", that they cooperate or intend to co-operate with entities from donor countries before, after or during the implementation of the project, but they have not indicated this fact in this point (9.4 *Bilateral relations*);

10. Supporting documents

Failure to indicate which of the attachments have been enclosed to the application; all other attachments should be listed in the field *Remarks*, according to the relevant list of attachments;

Attachments

- Applicants fail to number the attachments in concordance with the numbers in the list of attachments for the relevant priority sector;
- A common error is that *Detailed schedule of the project implementation and expenditures* in a quarterly break-down is too general and is often inconsistent with information contained in point 4.3;
- *Co-financing confirmation* is not supported with the relevant documentation and does not result in financial obligations;
- *Feasibility study* does not contain all elements needed by the detailed requirements for the relevant priority sector;
- *Financial and economic analyses* are not supported by adequate calculations;
- Documents submitted to confirm the accordance of the documentation with originals have not been signed by authorised persons;
- Promotion plans are not in compliance with guidelines of donor states (plans submitted often do not contain information about the grant being provided from the Financial Mechanisms resources);
- With regard to technical specifications, where a situation map and cost estimates concern a wider scope of activities than the project itself, applicants do not indicate which part of the documentation is directly related to the project.

Note

In order to avoid errors and omissions we suggest that you read carefully:

- the announcement of the call for proposals,
- the Operational Programme (including, in particular a description of the relevant priority sector with specific requirements),

- the list of attachments for a given priority sector,
- application form user guide,
- information on the National Focal Point's and the relevant Intermediary Body's Websites, including, in particular the FAQ section.