FREQUENTLY ASKED QUESTIONS : CALL FOR PARTNERS FOR THE IMPLEMENTATION OF THE IMPACT EVALUATION INITIATIVE FOR LABOR MARKET POLICIES & PROGRAMS

This document provides answers to questions asked by policy research organizations that want to participate the final selection of proposals.

Question 1 : Do the milestone table, bios, and budget justifications go in the main proposal or can they be in the annex ?

Yes, you could put these tables in the annex in addition to the technical document (20 pages maximum) detailing your proposal for carrying out this assignment (cf. page 11 on the call for partners).

Question 2 : How long should the proposal summary be and is it included in the 20 pages limit?

In addition to the technical document mentioned above, you must submit a summary of this document written in French and Arabic (cf. page 11 on the call for partners).

Question 3 : Is there a maximum indirect cost/overhead rate?

There is no maximum indirect cost/overhead rate, but it must be justified. If your institution has a Negotiated Indirect Cost Rate (NICRA), then you could use that to justify your overhead rate. Otherwise, you could use a rate of 10%.

Question 4 : Should we build our budget under the assumption that 10% of disbursements made abroad will be taxed or withheld?

According to MCC guidelines, MCA-Morocco will withhold Corporation Tax (IS) 10% on all gross amounts paid (excluding VAT) of each payment to its Vendors that are Non-resident Legal firms and Physical persons including Individual consultants (cf. page 8 on MCA Tax Exemption Guidelines).

Therefore, you must budget up to a maximum of USD 5 000 000, knowing that 10% of milestone payments will be withheld at the source. However, the overall budget might be reviewed at the discretion of MCA-Morocco and within the limits of funds available.

Question 5 : Is it correct that this 10% withholding would apply to milestone payments made to a foreign organization, even if the foreign organization then paid out the funds to Moroccan partners?

Yes, the 10% withholding remains applicable to milestone payments, even if the non-resident vendors (for example a foreign university) will use the funds to pay their Moroccan partners.

Question 6 : If the answer to question 5 is "yes", Would MCA agree to make disbursements directly to our Moroccan partners for in-Morocco costs, either through individual MCA agreements/contracts with these partners or in accordance with our instructions when a milestone payment was ready to be made?

It must be possible, if the Moroccan partner is a member of the Consortium submitting the proposal. Therefore, before the signing of the partnership agreement with MCA-Morocco, members of the Consortium should establish a Consortium agreement (joint venture jointly and severally liable) in which they designate the "chef de fil"/lead partner and outline the rights and obligations of each member.

MCA-Morocco will not withhold any amounts for Moroccan vendors. They will have to file taxes using their own Fiscal ID number (cf. page 8 on MCA Tax Exemption Guidelines).

If the Moroccan partner is not a member of the Consortium, it is considered as a subcontractor and in this case, MCA-Morocco cannot pay it directly.

Question 7 : Can we present a single budget showing all detailed expenses split by general operations / research / data collection / capacity building, but not segregating by participating organization?

At this stage, the estimated budget should be split by general operations (research / data collection, capacity building, operating budget) (without exceeding USD 5 000 000). However, in the Consortium agreement you must specify the share of members.

Are there any unallowable cost categories that we should be particularly cognizant of? I.e., administrative staff time, rent/office space, etc.

Yes, there are several unallowable costs for MCC funding. Should you need detailed information on allowable and unallowable costs for MCC funding, please refer to the document on Cost Principles for Government Affiliates shared with you previously.