



EUROPEAN COMMISSION

Employment, Social Affairs and Inclusion DG

Employment and Social Legislation, Social Dialogue
Social Dialogue, Industrial Relations

BUDGET HEADING 04.03.03.01

INDUSTRIAL RELATIONS AND SOCIAL DIALOGUE

CALL FOR PROPOSALS

2011

VP/2011/001

In view of the large number of enquiries, please do not telephone.
Questions should be sent by e-mail only to: empl-04-03-03-01@ec.europa.eu.

To ensure a more rapid response it is helpful if applicants send their queries
in English, French or German.

The English version of the call is the original.

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<p style="text-align: center;">BUDGET HEADING 04.03.03.01 INDUSTRIAL RELATIONS AND SOCIAL DIALOGUE</p>
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1 OBJECTIVES OF THIS BUDGET HEADING

In line with the remarks in the budget of the European Union, this budget heading is intended to cover grants for promoting social dialogue at cross-industry and sectoral level in accordance with Article 154 of the Treaty on the Functioning of the European Union. This call will therefore be used to finance consultations, meetings, negotiations and other actions designed to achieve these objectives and to promote actions outlined in the European Commission's Communication on *The European social dialogue, a force for innovation and change* (COM(2002) 341), the Communication on *Partnership for change in an enlarged Europe – Enhancing the contribution of European social dialogue* (COM(2004) 557) and the Commission Staff Working Document on the *Functioning and potential of European sectoral social dialogue* (SEC(2010) 964).

The measures should help the social partner organisations (representatives of management and labour) to contribute to addressing the overarching EU employment and social policy challenges as laid down in the Europe 2020 Strategy (*Europe 2020: A strategy for smart, sustainable and inclusive growth*, COM(2010) 2020, 3 March 2010), the European Council Conclusions of 25-26 March 2010 and 17 June 2010, and the Commission's Communication on the Renewed Social Agenda (*Renewed Social Agenda: Opportunities, access and solidarity in 21st century Europe*, COM(2008) 412, 2 July 2008).

Objectives of this call include measures and initiatives related to the adaptation of social dialogue to changes in employment and work and related challenges, such as addressing modernisation of the labour market, quality of work, anticipation, preparation and management of change and restructuring, flexicurity, skills, mobility and migration, youth employment, contributions to the health and safety strategy, reconciliation of work and family life, gender equality, action in the field of anti-discrimination, active ageing, active inclusion and decent work.

Measures which will contribute to addressing the employment and social dimensions of EU priorities relating to the exit from the economic crisis and reaching the objectives and targets of the Europe 2020 Strategy and its flagship initiatives, will be particularly welcome.

Strengthening synergies and exchanges between European social dialogue sectoral committees and between the sectoral committees and the inter-professional level is a horizontal objective. Measures to support the European social partners and social dialogue committees undertake and contribute to impact assessment of the employment and social dimensions of EU initiatives will be particularly welcome.

Measures to support European social dialogue and industrial relations initiatives contributing to the European Year for Active Ageing (2012; COM(2010) 462), can also be supported.

The budget heading can also be used to finance actions involving representatives of the social partners from the Candidate Countries¹. It is also intended to promote equal participation of women and men in the decision-making bodies of both trade unions and employers' organisations. These last two components are cross-cutting.

Access for people with disabilities must be guaranteed for measures funded under this heading.

On the basis of these objectives, two sub-programmes have been defined:

- | | |
|----|--|
| I | Support for European social dialogue |
| II | Improving expertise in the field of industrial relations |

In light of the objectives mentioned above, the specific measures eligible under the two sub-programmes are detailed in section 2 below. The attention of applicants is also drawn to the eligibility criteria for applicants, actions and applications detailed in section 3.3 below.

The foreseen budgetary allocation to this call is **EUR 13 260 000**.

Applications will be examined and selected taking account of the remarks in the EU budget, the criteria laid down in this document and the principle of balanced support.

Non-Governmental Organisations (NGOs) wishing to undertake measures in the field of Corporate Social Responsibility (CSR) should apply to the PROGRESS programme.

2 ELIGIBLE MEASURES

I. Support for European social dialogue

This first sub-programme is divided into eight categories of action:

- measures to prepare European social dialogue, such as preparatory surveys, meetings and conferences;
- measures regarded as part of social dialogue within the meaning of Articles 154 and 155 TFEU, such as negotiations, preparatory meetings for negotiations or activities relating to the implementation of negotiated agreements and other negotiated outcomes;
- measures to implement the European social partners' work programmes (such as the organisation of round tables, exchanges of experience and networks of key actors);
- measures to monitor and follow up European social dialogue activities and outcomes, such as conferences and other initiatives to disseminate and evaluate the results of European social dialogue through European or national events, or through studies, paper or electronic publications (including the translation);

¹ Candidate countries at the respective deadlines for the submission of applications; http://ec.europa.eu/enlargement/candidate-countries/index_en.htm.

- measures to improve the coordination, functioning and effectiveness of European social dialogue, including through the identification and development of joint approaches by the social dialogue committees, such as the exchange of good practice and related joint training events;
- measures to strengthen the capacity of social partners to contribute to European social dialogue with particular attention to new Member States and Candidate Countries (such as information and training seminars)²;
- measures by social partners which contribute to the employment and social dimensions of the Europe 2020 Strategy and actions to implement the European Employment Strategy (EES) and to monitor and analyse its impact on labour markets;
- measures to support the European social partners and social dialogue committees undertake and contribute to impact assessment of the employment and social dimensions of EU initiatives.

II. Improving expertise in the field of industrial relations

The aim of this sub-programme is to improve expertise in industrial relations (especially in European and comparative terms), to promote the exchange of information and experience among parties actively involved in industrial relations (companies, workers, public authorities and research centres) and to promote the development of industrial relations in Europe.

The following actions may be co-financed:

- general seminars or conferences on industrial relations, including preparatory studies, the organisation of round tables, exchanges of experience and networks of key actors and/or experts;
- initiatives to further the collection and use of information on national industrial relations systems and on developments at European level;
- initiatives to promote knowledge on effective industrial relations practices, including successful forms of worker participation, particularly in regard to the anticipation, preparation and management of change;
- initiatives contributing to the preparation or use (presentation, discussions and dissemination) of the European Commission's Industrial Relations in Europe report.

² National capacity-building activities which could be funded under the European Social Fund (Regulation (EC) N° 1081/2006 on the European Social Fund, Article 5(3)§2) are not eligible: "Under the Convergence objective, an appropriate amount of ESF resources shall be allocated to capacity-building, which shall include training, networking measures, strengthening the social dialogue and activities jointly undertaken by the social partners, in particular as regards adaptability of workers and enterprises referred to in Article 3(1)(a)" (Scope of assistance).

3 SUBMISSION AND EXAMINATION OF GRANT APPLICATIONS

3.1 Submission deadlines and implementation dates

Complete applications must be submitted to the European Commission by the deadlines for submission indicated below.

In view of the time needed to examine applications, actions may not start before the action start deadlines indicated below. Proposals for actions not respecting the permissible starting dates will not be considered.

Applications will be examined by an Evaluation Committee which will meet within 35 working days following the deadlines for submission. As a rule, the entire evaluation procedure, including the award decision, takes around 12 weeks.

As a consequence, applicants should note that if their project is approved **they will not necessarily receive the grant agreement prior to the starting date of the action** and should, therefore, take this into account in programming the timing of their project. Any expenditure incurred before written confirmation that the application has been accepted is at the applicant's risk.

The **deadlines** for the submission of applications and the permissible **starting dates** of actions are as follows:

- **25 March 2011** for actions commencing no earlier than **25 May 2011** and no later than **22 December 2011** (indicative amount foreseen depending on the quality of proposals submitted: **EUR 5 600 000**);
- **30 August 2011** for actions commencing no earlier than **30 October 2011** and no later than **22 December 2011** (indicative amount foreseen depending on the quality of proposals submitted: **EUR 7 660 000**).

In principle, the duration of an action is no longer than 12 months. The Commission reserves the right to adjust the duration of an action proposed in the application.

3.2 Co-financing rates for the sub-programmes

Under this call for proposals, the European Commission may decide to finance up to 80% of the total eligible cost of the action. Contributions in kind will not be taken into account.

In derogation from the previous paragraph, the European Commission may decide to finance up to 95% of the total cost of social dialogue actions (sub-programme I exclusively) involving negotiations in accordance with Articles 154 and 155 TFEU, meetings to prepare for negotiations (sub-programme I – second bullet point), or joint social partner actions relating to the implementation of the results of European social dialogue negotiations.

Social dialogue meetings organised by the European social partners themselves can also be financed up to a rate of 95%.

Applications which request a grant of more than 80% of the total eligible cost (or 95% exclusively for the cases listed above) will not be considered.

Project size/amount

For illustrative purposes, the average size of a grant awarded in 2010 was in the range of **EUR 160 000**.

Experience has demonstrated that projects, which include preparatory, follow-up and dissemination activities within the same grant application, tend to contribute most effectively to achieving the objectives of the budget heading.

NEW: the Commission will organise a networking day in Brussels for beneficiaries under the 2011 call (date to be confirmed). Applicants must therefore ensure that the travel, daily subsistence allowances and accommodation costs for up to 2 persons – the Project Manager and possibly the Financial Manager – to attend this meeting in Brussels are included in their proposed project budget. If the applicant fails to do this, the Commission will not be able to fund the beneficiary's participation in the networking day.

3.3 Eligibility criteria

Eligible applicants

To be eligible, *applicants* must:

- Be properly constituted and registered legal persons. In application of Article 114 of the Financial Regulation, social partner organisations without legal personality are also eligible provided that their representatives have the capacity to undertake legal obligations on their behalf and assume financial liability³;
- Fall within one of the following categories:

1	Social partners	(i) European social partner organisations currently consulted in accordance with Article 154 TFEU ⁴ (ii) European-level social partner organisations not covered in (i) above, for example those involved in the preparation and launch of European social dialogue at sectoral level (iii) National or regional social partner organisations, as long as the project is part of a European approach
2	Organisations linked to industrial relations	Non-profit-making organisations, research centres and institutes, universities Non-profit-making networks ⁵ of companies or of workers' organisations

³ See Council Regulation 1995/2006 of 13 December 2006 amending Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities: <http://eur-lex.europa.eu/JOHtml.do?uri=OJ:L:2006:390:SOM:EN:HTML>.

⁴ An up-to-date list of these organisations can be found at <http://ec.europa.eu/social/BlobServlet?docId=2154&langId=en>.

⁵ This means that the applicant organisation must be a network.

3	Public authorities	Public authorities, including related associations and government services or agencies
4	International organisations	International organisations (such as UN Agencies) active in the fields of social dialogue and / or industrial relations ⁶

- Have their registered office in one of the EU Member States⁷;
- Not be in one of the situations referred to in Articles 93(1), 94 and 96(2)(a) of the Financial Regulation⁸.

Eligibility of actions

To be eligible, *actions* must:

- Be linked to at least one objective of the budget heading;
- Include partners from several different Member States in the case of projects which are not submitted by a European organisation or international organisation. This must be demonstrated in the application by signed letters indicating the active involvement;
- If the application is submitted under sub-programme I, have the support of a European social partner organisation (as defined in the table above on eligible applicants: categories 1 (i) and (ii)). This must be demonstrated in the application by a signed letter of support from the European social partner organisation;
- Not request a European Union grant of over 80% of the total eligible cost of the action (or 95% in the case of the derogations identified in section 3.2);
- Be fully carried out in the Member States of the European Union or the Candidate Countries⁹;
- Comply with the call for proposals subcontracting rules indicated in Annex I;
- Comply with the rule on the starting date of actions in section 3.1.

Eligible applications

To be eligible, *applications* must:

- Be submitted by the deadlines indicated in section 3.1;

⁶ Other than ILO, with which the Commission will carry out a project in joint management.

⁷ In derogation from this requirement, international organisations (such as UN Agencies) active in the fields of social dialogue and / or industrial relations, whose registered office is outside the EU Member States, are also eligible.

⁸ The situations referred to include bankruptcy, compulsory winding-up, being under court administration, in an arrangement with creditors or any other similar proceedings; convictions of professional misconduct; non-fulfilment of social security or tax payment obligations; convictions of fraud, corruption, involvement in a criminal organisation or any other illegal activity; declared in serious breach of contract in relation to activities funded by the EU budget; subject to conflict of interest; guilty of misrepresentation in supplying the required information.

⁹ In derogation from this requirement, international organisations, such as UN Agencies, active in the fields of social dialogue and / or industrial relations can carry out activities also at the place of their registered office.

- Be submitted on-line before being printed, and sent in 2 copies as a paper application duly signed (one original dossier and one copy of all submitted documents). Please see section 4.2 for further details on the submission of the application;
- Be complete and include **all the documents indicated in the following table**. Where specified below, documents must bear the original signature of the applicant's **legal representative**.

Applicants should note that the Evaluation Committee will not examine applications lacking one or more of these documents.

1	Official covering letter of the application: quoting the reference of the call for proposals, with the original signature of the applicant's legal representative.
2	Print-out of the duly completed and submitted on-line application form: (https://webgate.ec.europa.eu/swim) dated and with the original signature of the legal representative. NOTE: The on-line form <u>must be electronically submitted before printing</u> . After the electronic submission no further changes to the application are possible.
3	A signed declaration on honour (Annex E.1 to the on-line application). This must be written on the official letterhead paper of the applicant organisation and have the original signature of the legal representative, certifying that the applicant organisation is not in one of the situations listed in Articles 93(1), 94 and 96(2)(a) of the Financial Regulation and that it has the financial and operational capacity to complete the activity for which funding is requested.
4	"Financial identification" form (Annex E.3 to the on-line application) of the applicant organisation duly completed with the original signature of the account holder and the original signature and stamp of the bank. The financial identification form can be found at: http://ec.europa.eu/budget/execution/ftiers_en.htm
5	"Legal entity" form (Annex E.4 to the on-line application) duly completed with the original signature of the legal representative. The legal entities form can be found at: http://ec.europa.eu/budget/execution/legal_entities_en.htm Applicants must also provide: <ul style="list-style-type: none"> • a copy of the certificate of official registration or other official document attesting to the establishment of the entity (where this exists); • a copy of the articles of association/statutes or equivalent, proving the eligibility of the organisation; • a copy of a document confirming the applicant's tax or VAT number, if available; and • exclusively in the case of social partner organisations without legal personality, a signed letter of the representative with the capacity to undertake legal obligations.

6	<p>A detailed work programme (Annex E.5 to the on-line application) for the project. This is a separate document, in addition to the on-line application form and it must also be submitted electronically in annex to the on-line application form. The paper version must be identical to the electronic version of the detailed work programme. The detailed work programme should not be longer than 10 pages.</p> <p>The detailed work programme must provide a detailed description of the project and a timetable for the activities. The names, positions, and employment status of all staff involved in the project should be included in the detailed work programme. The detailed work programme should be submitted in English, French or German.</p>
7	<p>A budget explanation (Annex E.7 to the on-line application) for the project. This is a separate document in addition to the budget section of the on-line application form, and it must also be submitted electronically in annex to the on-line application form. The paper version must be identical to the electronic version of the budget explanation.</p> <p>The budget explanation must provide additional information to explain and justify all items in the proposed budget (and particularly staff costs and subcontracting plans). A simple table listing costs without explanation is not sufficient. The budget explanation should be submitted in English, French or German.</p>
8	<p>Letters of support / commitment:</p> <ul style="list-style-type: none"> • if the applicant is submitting a proposal under sub-programme I, a signed letter of support from a European social partner organisation (as defined in the table in section 3.3 above on eligible applicants categories 1 (i) and (ii)); • a signed letter of commitment from each partner named in the application form (section D) following the template provided in Annex E.2 to the on-line application, explaining the nature of the partner's involvement and specifying the cash amounts of any funding provided. <p>The letters of support / commitment should be submitted in English, French or German.</p>
9	<p>A Curriculum Vitae of the Person responsible for managing the action (named in section A.3 of the application form) indicating clearly the current employer(s) with whom there exists either a permanent or temporary contract of employment. The CV should be submitted in English, French or German.</p>

10	<p>In the case of subcontracting for external expertise, the completed form "Contracts for implementing the action" provided in Annex E.6 to the on-line application.</p> <p>Applicants wishing to recruit the services of external experts must provide the detailed information regarding the tasks involved, the reasons for subcontracting these tasks and the selection procedure that will be followed to award the contract¹⁰. The form should be submitted in English, French or German.</p> <p>Applicants should note that subcontracting external expertise is only admissible if the staff of the applicant organisation or of the project partners do not have the skills required. It is not permissible to subcontract the project management of the action.</p>
11	<p>The most recent balance sheet of the applicant organisation (not necessary for public bodies and international organisations such as UN Agencies). The balance sheet, by definition, must include assets and liabilities. The applicant should specify which currency is being used in the balance sheet. The Commission reserves the right to request balance sheets from previous years, if necessary.</p>
12	<p>For grant requests over EUR 500 000, an external audit report produced by an approved auditor, certifying the accounts of the applicant organisation for the last financial year available (not necessary for public bodies and international organisations, such as UN Agencies). The external audit report should be submitted in English, French or German.</p>

In addition, the Commission may request applicants to submit justifications of proposed eligible costs during the evaluation procedure of the application.

3.4. Selection criteria

The applicant must have the financial and operational capacity to complete the activity for which funding is requested. Only organisations with the necessary financial and operational capacity may be awarded a grant.

- Financial capacity to carry out the action: the applicant must have access to solid and adequate funding to maintain its activities for the period of the action and to help finance it as necessary (the verification of financial capacity does not apply to public bodies or to international organisations, such as UN Agencies)¹¹.

¹⁰ Where the value of the procurement contract exceeds EUR 60 000, the beneficiary, in addition, must provide a copy of the draft tender specifications. To assist applicants, a model for tender specifications is included in Annex II to this call. Important additional information concerning subcontracting can be found in Annex I. The draft tender specifications should be submitted in English, French or German.

In addition, the applicants must be able to prove, if requested, that they have sought bids – by registered letter – from at least five different tenderers, including proof that they have posted the call for tender or invitation to tender at least on their website and provide a detailed description of the selection procedure.

This requirement does not apply to public authorities which are already governed by a system of public procurement rules; however, where applicable, this should be indicated.

¹¹ The financial capacity of the applicant is assessed based on the analysis of the supporting documents listed in positions 3, 4 and 11 in the table above (Section 3.3. "Eligible applications") and by calculating the ratio between the total assets in the applicant's balance sheet and the total budget of the

- Operational capacity to complete the proposed action: the applicant must have the operational resources (technical, management) and the professional skills and qualifications needed to successfully complete the proposed action, as well as the ability to implement it. The applicant must have a strong track record of competence and experience in the field and in particular in the type of action proposed.

The financial and operational capacity should be proven by the annual balance sheets, declaration of honour and curriculum vitae mentioned above.

3.5 Award criteria

Proposals which fulfil the eligibility and selection criteria indicated above will be assessed according to the following award criteria:

- i. The extent to which the action meets the objectives and priorities of the budget heading
- ii. The extent to which the action has a genuine transnational dimension
- iii. The quality of partnerships, including the degree of involvement and commitment at the application stage of the social partners/stakeholders in the action¹²
- iv. The extent to which the action contributes to the priorities, activities or results of European social dialogue/the debate on industrial relations
- v. The added value, i.e. the lasting impact and/or multiplier effect¹³ of the action¹⁴
- vi. The cost-effectiveness of the action
- vii. The arrangements to publicise the action and disseminate the results
- viii. The overall quality, clarity and completeness of the proposal and budget explanation

Integrated approach

Social partner organisations which are members of the same sectoral social dialogue committee are encouraged to adopt an *integrated approach* to their projects (e.g. both sides of industry to work together to combine different activities and to include preparatory, follow-up and dissemination activities within the same grant application). The Evaluation Committee will give priority to such projects.

Additionally, the Evaluation Committee will give priority to actions involving joint approaches of or the exchange of good practice between social dialogue committees.

project (the ratio should be greater than 0.70, or, for projects with a total budget of less than EUR 100 000, the ratio should be greater than 0.50).

¹² Please note that the Commission does not consider it appropriate to include independent consultants, conference organisers, etc., as project partners. Please read Annex I carefully.

¹³ The multiplier effect refers to how the project and its results will promote change in other fields, such as geographical, sectoral and thematic.

¹⁴ The Commission also reserves the right when assessing proposals to take into account the effectiveness and added value of previous or ongoing projects undertaken by the applicant with EU/Community funding.

4 PRACTICAL PROCEDURES

4.1 Where can the application form be found?

The compulsory on-line grant application form as well as the other requested forms can be found at the following Internet address:

<http://ec.europa.eu/social/main.jsp?catId=630&langId=en&callId=292&furtherCalls=yes>

4.2 Where does the application need to be sent?

Please send your covering letter of application, together with all the other documents listed in the table under section 3.3 "Eligible applications" above as originals as well as **one copy of all of these documents** by the submission deadlines indicated above, to the following address:

*Call for proposals VP/2011/001
Budget heading 04.03.03.01
European Commission – DG EMPL/B.1
J-54 01/004
B – 1049 Brussels
Belgium*

Please send your application by registered mail or express courier service only and keep proof of the date of sending (the date of the post office stamp or express courier receipt will be considered as proof of the date of sending).

Hand-delivered applications must be received by the European Commission at the latest on the last day for submission. The **only address for hand delivery** of documents to the European Commission is: Avenue du Bourget n° 1, B-1140 Evere, Belgium¹⁵. Proof of delivery is a signed receipt from the Commission's Archives Service stamped with the date of the last day for submission or earlier.

Please note that the SWIM electronic application form is available until midnight on the day of the submission deadline. However, as candidates must first submit the form electronically, and then print, sign and send it by post or hand delivery by the submission deadline, it is the **applicant's responsibility to ensure that the appropriate postal or courier services are locally available on the day of the deadline.**

Regarding the presentation of the application file, applicants are requested to:

- Follow the order of documents as listed in the table under section 3.3 "Eligible applications"
- Print the documents double-sided, where possible
- Only use 2-hole folders. **Please do not bind or glue the dossiers** (stapling is acceptable)

If an applicant submits more than one proposal, each one must be submitted separately.

¹⁵ http://ec.europa.eu/contact/mailing_en.htm

ENQUIRIES MUST BE MADE BY E-MAIL ONLY TO:

empl-04-03-03-01@ec.europa.eu

- PLEASE DO NOT TELEPHONE -

4.3 What next? Accepted and rejected applications

Applications will be examined by an Evaluation Committee, which will meet within 35 working days following the deadline for submission. As a rule, the entire evaluation procedure, including the award decision, takes around 12 weeks.

The European Commission will notify applicants once the evaluation procedure is completed. **Requests for information concerning the progress of dossiers sent before the end of the evaluation procedure will not be answered.**

Rejected applications

Unsuccessful applicants will receive a letter stating the reasons for refusal. Rejected proposals may be revised and resubmitted in accordance with a subsequent submission deadline. They will, however, only be considered if a new and complete application file including all supporting documents is sent to the Commission by the relevant deadline. Documents submitted under a previous submission deadline will not be taken into account.

Selected applications

Successful applicants will receive two original copies of the grant agreement¹⁶ for acceptance and signature. Both these copies must be sent back to the Commission, which will then return one to the applicant once it has been signed by both parties.

The grant agreement may include changes made by the Commission – therefore the applicant should carefully read the whole agreement, and the budget and work programme sections in particular, before signing and returning the copies to the Commission.

Following the award of a grant, if the successful applicant would like the Commission to participate in any project events, the applicant must take immediate contact (in any case, at least 2 months before the event) with the EC official responsible for following the action (named in the letter accompanying the grant agreement). The successful applicant should therefore not finalise the planning and scheduling of such events without the Commission's prior approval and confirmation of its participation. The Commission's acceptance of the grant application does not prejudice its decision on whether to attend an event included in the work programme. Such a decision is always subject to a separate examination of the event programme and prior agreement on the dates and practicalities.

¹⁶ International organisations receive an agreement based on the "European Union Contribution Agreement with an International Organisation".

Publicity

In order to achieve a wider dissemination of project results, the elements concerning, inter alia, the project description, results and methodology, provided by the beneficiary in the final report, may be published on the European Commission's website.

ANNEX I: FINANCIAL GUIDELINES FOR APPLICANTS

FINANCIAL GUIDELINES FOR APPLICANTS

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The purpose of this document is to enable applicants to prepare their grant applications. Please be sure to read these guidelines carefully before replying to the current call for proposals.

MAIN FINANCIAL AND MANAGEMENT RULES

Disclaimer: this document provides the applicants with a quick summary of the main legal and financial rules contained in the Financial Regulation (FR) applicable to the general budget of the European Communities¹⁷ and its Implementing Rules (IR)¹⁸. The information given is not exhaustive and beneficiaries are therefore asked to carefully read the agreement sent to them, as it will constitute the legal basis for the grant.

1 GENERAL PRINCIPLES

Grants are subject to the principles laid down in the Financial Regulation, in particular the principles of co-financing, prohibition of double financing and non-profit.

Co-financing principle

European Union grants may not finance the entire cost of the action to be subsidised. The applicant must contribute to the implementation of the action either by way of own resources or by financial contribution from third parties (in the form of public or private assistance obtained elsewhere)¹⁹.

No double financing rule

Each action may give rise to the award of only one grant, there can be no duplicate European Union funding of the same expenditure. The applicant must indicate the sources and amounts of any other funding received or applied for in the same financial year for the same action or for any other action and for routine activities (running costs)²⁰.

No-profit rule

The EU grant may not have the purpose or effect of producing a profit for the beneficiary. Profit is defined as a surplus of total actual receipts over the total actual costs of the action. Any income of the action must be indicated in the estimated budget and the final financial statement. The amount of the grant will be reduced by the amount of any surplus²¹.

2 RULES RELATED TO THE GRANT REQUESTED

- The rules on co-financing rates can be found in the text of the call for proposals.
- The grant does not cover ineligible costs (see below for definition).

¹⁷ Council Regulation (EC, Euratom), n° 1605/2002 of 25.06.2002 (OJ L 248, 16.09.2002), as amended by Regulation n° 1995/2006 (OJ L 390, 30.12.2006) (<http://eur-lex.europa.eu/LexUriServ/site/en/consleg/2002/R/02002R1605-20070101-en.pdf>)

¹⁸ Commission Regulation (EC, Euratom) n° 2342/2002 of 23.12.2002, (OJ L 357, 31.12.2002) and subsequent amendments: Commission Regulation (EC, Euratom) n° 1261/2005 of 20.07.2005 (OJ L 201, 02.08.2005), Commission Regulation (EC, Euratom) n° 1248 of 07.08.2006 (OJ L 227, 07.08.2006) and Commission Regulation n° 478/2007 (OJ L 111, 28.04.2007) (<http://eur-lex.europa.eu/LexUriServ/site/en/consleg/2002/R/02002R2342-20070501-en.pdf>)

¹⁹ Art. 113 FR and 172 IR

²⁰ Art. 111 FR and 173(5) IR

²¹ Art. 109(2) FR and 165(1) IR

- Contributions in kind (i.e. contributions for which no financial flow can be traced in the written accounts like unpaid charity work by a private individual or corporate body, etc.) cannot be accepted.
- Signed letters of commitment from the applicant organisation and/or other sources must be provided stating the precise amount of each financial (cash) contribution to the budget. If other institutions or organisations (partners) are involved in carrying out the project, the letter of commitment/partnership, from each of the partners, should also provide the name, address and person responsible and explain the nature of their involvement.
- An external audit report of the previous accounts of the applicant organisation produced by an approved external auditor must be provided for grant applications where the cost to be financed exceeds EUR 500.000. No audit report is required from public bodies or international organisations²². The report must certify the accounts for the last financial year available.
- The partial or total withholding by the applicant of any information that may have an impact on the Commission's final decision concerning the application will entail the automatic disqualification of the application or, if discovered at a later stage, will entitle the Commission to impose financial and administrative penalties²³.

3 THE ESTIMATED BUDGET OF THE ACTION

3.1 The budget must be detailed and balanced

Grant applications must include a detailed estimated budget presented in Euro (see application form). Applicants established in countries outside the Euro zone must use the conversion rates published in the Official Journal of the European Union (OJ) (<http://ec.europa.eu/budget/infoureuro/index.cfm?Language=en>). Applicants should be aware that they fully carry the exchange rate risk.

The budget estimate must be properly balanced: the two totals (income and expenditure) must be the same, since the available income (including the grant requested from the Commission) will have to finance the planned expenditure²⁴. Please make sure that all the items related to the implementation of the action are included and not just those for which financing is being sought.

3.2 Expenditure

Expenditure must include the estimated costs exclusively for the implementation of the action.

3.2.1 General criteria for eligibility of costs

In order to be eligible for EU funding, costs actually incurred must meet the following criteria²⁵:

²² Art. 173(4) IR

²³ Art. 175 IR

²⁴ Art. 173(3) IR

²⁵ Art. 172a IR

- (a) be incurred during the duration of the action, with the exception of costs relating to final reports and audit certificates;
- (b) be indicated in the estimated overall budget of the action attached to the grant agreement;
- (c) be necessary for the implementation of the action which is the subject of the grant;
- (d) be identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost-accounting practices of the beneficiary;
- (e) comply with the requirements of applicable tax and social legislation;
- (f) be reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

The successful applicant must take care to avoid any unnecessary or unnecessarily high expenditure.

The beneficiary's internal accounting and auditing procedures must permit a direct reconciliation of the costs and revenue declared in respect of the action with the corresponding accounting statements and supporting documents.

Documentation justifying costs must be kept by the beneficiary for **five years** following final payment by the Commission.

Expenditure eligible for financing may not have been incurred before the grant application was lodged. Please note that the call might precise a specific reference date for the eligibility of costs.

Extra costs associated with the participation of people with disabilities are also eligible. These costs may be required to cover the use, for example, of special means of transport, personal assistants or sign language interpreters.

3.2.2 Eligible direct costs

The eligible direct costs for the action are those costs which, provided that they satisfy the criteria of eligibility set out above, are identifiable as specific costs directly linked to the performance of the action and which can therefore be booked to it directly.

In particular, the following direct costs may be considered eligible:

Staff costs

The costs of staff (permanent or temporary staff employed by the beneficiary or the partners) assigned to the implementation of the action, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, are eligible. The salary costs should not exceed the average rates corresponding to the beneficiary's usual policy on remuneration. In addition, they should not be higher than the generally accepted market rates for the same kind of task.

The costs of personnel of national administrations may be considered as eligible to the extent that they relate to the cost of activities which are additional and which the relevant public authority would not carry out if the project concerned were not undertaken.

Please fill in the form reserved for these costs in the budget estimate (see application form) by indicating the persons to be remunerated (full-time/part-time), the number of days of work to be performed and the daily rate calculated on the basis of an average of 225 workable days per year. The determination of the workable days should be made respecting the standard working time either under national laws, collective agreements or under the organisations' normal accounting practice. An example for determining the total workable days per year could be as follows (provided what is established in the appropriate legislation):

Days/year	365 days
Less 52 weekends	104 days
Less annual holidays	25 days
<u>Less statutory holidays</u>	<u>11 days</u>
Total workable days =	225 days

$$\text{Daily rate} = \frac{\text{Gross actual salaries plus social security charges + statutory costs}}{\text{Total workable days}}$$

Should your proposal be financed by the Commission, only the real costs (i.e. actual salaries) will be considered as eligible costs.

The actual time spent on the action must be recorded on a regular basis using timesheets or an equivalent time registration system established and certified by the employer. Timesheets must be dated and signed by the individual concerned and validated by the employer. It is recommended to adopt a single timesheet encompassing the overall time worked by each staff member (not just the time worked by the employee on the particular EU supported action). Timesheets should not be sent to the Commission, except if specifically requested. For instance, when submitting the request for final payment, the beneficiary might be requested to provide pay slips and timesheets justifying the actual staff costs declared, as well as the basis for the calculation of daily rates and workable days.

Only persons who are directly employed by the promoter and/or the partners and who receive a salary are considered staff. All other persons, i.e. persons who receive a fee and/or submit an invoice for their services are considered external experts and are subject to the rules governing the award of contracts (see subcontracting below). The cost of any work to be performed by external experts must not be included in staff costs but under services.

Travel, accommodation and subsistence allowances

Travel costs must not exceed the most reasonable rates available on the market. Accommodation and subsistence costs related to the participants in the action are eligible provided that they are in line with the beneficiary's usual practices on travel costs and do not exceed the scales approved periodically by the Commission which are set out in the table below.

Journeys must be carried out by the most direct and economic route. Economy class fares will be used as the benchmark for analysing air travel costs. Air travel is acceptable only for distances above 400 km, i.e. return flight above 800 km. For other modes of transport, the benchmark is the first-class rail fare. Car journeys: equivalent of corresponding first-class train ticket.

The *Daily subsistence allowances (DSA)* are paid in addition to costs for accommodation as a flat-rate amount and are considered to cover breakfast and two main meals, local transport, the cost of telecommunications and all other sundries. Daily subsistence allowances are to be calculated as follows according to the length of the mission:

- stays less or equal to 6 hours: reimbursement of actual costs (on production of supporting documents);
- more than 6 hours up to 12 hours inclusive: 0.5 DSA;
- more than 12 hours up to 24 hours inclusive: 1 DSA;
- more than 24 hours up to 36 hours inclusive: 1.5 DSA;
- more than 36 hours up to 48 hours inclusive: 2 DSA;
- more than 48 hours up to 60 hours inclusive: 2.5 DSA, etc.

The maximum amounts (in Euro per calendar day) accepted for each country are set out in the table below, and applicants are advised to adhere to these rates in their budget estimates²⁶. Please note that this is a general list; please check the call for proposals to find out the eligible countries for your specific call.

<i>Destinations</i>		<i>DSA in EUR</i>	<i>Maximum hotel price in EUR</i>	<i>Destinations</i>		<i>DSA in EUR</i>	<i>Maximum hotel price in EUR</i>
AT	Austria	95,00	130,00	LU	Luxembourg	92,00	145,00
BE	Belgium	92,00	140,00	LV	Latvia	66,00	145,00
BG	Bulgaria	58,00	169,00	MK	F.Y.R. of Macedonia	50,00	160,00
CY	Cyprus	93,00	145,00	MT	Malta	90,00	115,00
CZ	Czech Republic	75,00	155,00	NL	The Netherlands	93,00	170,00
DE	Germany	93,00	115,00	PL	Poland	72,00	145,00
DK	Denmark	120,00	150,00	PT	Portugal	84,00	120,00
EE	Estonia	71,00	110,00	RO	Romania	52,00	170,00
EL	Greece	82,00	140,00	SE	Sweden	97,00	160,00
ES	Spain	87,00	125,00	SI	Slovenia	70,00	110,00
FI	Finland	104,00	140,00	SK	Slovakia	80,00	125,00
FR	France	95,00	150,00	TR	Turkey	55,00	165,00
HR	Croatia	60,00	120,00	UK	United Kingdom	101,00	175,00
HU	Hungary	72,00	150,00	IS	Iceland	85,00	160,00
IE	Ireland	104,00	150,00	LI	Liechtenstein	80,00	95,00
IT	Italy	95,00	135,00	NO	Norway	80,00	140,00
LT	Lithuania	68,00	115,00	CH	Switzerland	80,00	140,00
				RS	Serbia	80,00	140,00

Please note that the Commission and the other European Institutions cover the travel and subsistence costs of their own officials when they participate in an event organised by the beneficiary and these should therefore not be included in the budget estimate.

Catering

The total amount calculated according to the above mentioned rules regarding Daily subsistence allowances shall constitute a maximum. If catering services are provided by the organisers, the DSAs directly paid to participants must be reduced accordingly. In

²⁶ The daily allowance rates are subject to periodic review by the Commission.

such cases, the daily allowance would be reduced by 30% for each meal provided, and by 15% for breakfast.

Costs of services

Information dissemination and publications costs can be taken into account provided that they are directly related to the action. Please give, for each publication and/or other materials, a description, an estimate of the number of pages and copies planned the frequency and language of publication, an indication of the production costs per copy as well as an estimate of the distribution costs where appropriate.

Translation costs must include the following details: the number of languages, the number of pages to be translated and the rate applied per page. These rates may not exceed the most reasonable market rates.

Interpretation: the different components must be specified. In particular, the number of languages, the number of interpreters, the number of days and the daily rates must be specified. The accepted daily fee of an interpreter may not exceed EUR 700 (including VAT). Interpreters should be hired locally. For their travel and subsistence expenses to be covered by the grant, it must be impossible to hire them locally and it must be explained why this is so.

Evaluation: if the action proposed requires some form of evaluation, monitoring and evaluation methods must be developed, as well as tools to assess, on an on-going basis, the progress of the action in relation to the objectives defined at the beginning and the results. The cost of such work will be regarded as eligible expenditure.

Subcontracting and provision of services

This heading can cover the costs of subcontracting or provision of services by an external party in connection with the implementation of the action (consultancy fees, production of documents, studies, external evaluation etc.).

Work and tasks carried out by the project partners (as described in the letters of commitment) are not subject to these rules of subcontracting. However, it is not permissible to include normal commercial suppliers of goods and services as project partners in order to avoid these rules. By way of example, the Commission does not find it appropriate to include as project partners independent consultants, conference organisers, and so on.

Applicants should have the operational capacity to complete the action to be supported. However, if the staff does not have the skills required, when justified and necessary, parts of the project may be subcontracted to another person or organisation. In this case, the beneficiary shall ensure that²⁷ the relevant terms applicable to itself under the agreement are also applicable to the subcontractors.

It must be clearly specified which tasks will be subcontracted and why this subcontracting is necessary, in the annex foreseen for this purpose in the electronic application form ("Contracts for implementing the action").

²⁷ The terms related to liability, conflict of interests, confidentiality, publicity, evaluation, assignment and checks and audits

Main rules related to subcontracting activities

When concluding external contracts in order to implement the action, the beneficiary must seek competitive tenders from potential contractors and award the contract in writing to the bid offering **the best value for money, i.e. the best price-quality ratio**. In doing so, the beneficiary shall observe the principles of transparency and equal treatment of potential contractors and shall take care to avoid any conflict of interests²⁸.

Sub-contracts by a "public" beneficiary/partner must be awarded in accordance with the applicable national rules on public tendering and in conformity with EU Directives on public tendering procedures.

Where the **value of the procurement contract awarded exceeds EUR 60 000**, the beneficiary must, in addition to the above general rules, provide a copy of the draft tender specifications. In addition, the applicants must be able to prove, if requested, that they have sought bids – by registered letter – from at least five different tenderers, including proof that they have posted the call for tender or invitation to tender at least on their website and provide a detailed description of the selection procedure.

This requirement does not apply to public authorities which are already governed by a system of public procurement rules; however, where applicable, this should be indicated.

Contracts as referred above may be awarded only in the following cases:

- a) They may only cover the execution of a limited part of the action;
- b) Recourse to the award of contracts must be justified in relation to the nature of the tasks necessary for the implementation of the action;
- c) The tasks to be subcontracted and the corresponding estimated costs must be set out in detail in the budget estimate;
- d) Any recourse to the award of contracts while the action is underway shall be subject to prior written authorisation by the Commission;
- e) The beneficiary shall retain sole responsibility for the implementation of the action and for compliance with the provisions of the agreement. The beneficiary must undertake the necessary arrangements to ensure that the subcontractor waives all rights in respect of the Commission under the agreement;
- f) The beneficiary must undertake to ensure that the terms, mentioned above, applicable to itself under the agreement are also applicable to the subcontractor.

Administration costs

Depreciation for purchase of equipment²⁹: the purchase cost of equipment (new or second-hand) is eligible provided that it is written off in accordance with the tax and accounting rules applicable to the beneficiary and generally accepted for items of the same kind. Only the portion of the equipment's depreciation corresponding to the period of eligibility for EU funding covered by the grant agreement and the rate of actual use for the purposes of the action may be taken into account by the Commission. A justification for the need of purchasing such equipment is to be annexed to the budget estimate.

²⁸ Art. 120FR, 184 IR

²⁹ Art. 172 IR

Other eligible administrative costs are: rental of meeting rooms (coffee breaks included), rental of interpretation booths, communication costs (other than overheads), charges for financial services, costs relating to a bank guarantee and to external audits, etc. Indicative amounts for rental of booths, excluding technical equipment: EUR 750 (excluding VAT) per booth per day; rental of booths with equipment and technical assistance: EUR 1200 (excluding VAT) per booth per day.

3.2.3 Eligible indirect costs – Overheads

Indirect costs are general administrative costs – overhead costs incurred in connection with the eligible direct costs of the action. They are limited to a maximum flat-rate of 7% of the total eligible direct costs for the action. These can include maintenance, stationery, photocopying, mailing postage, telephone and fax costs, heating, electricity or other forms of energy, water, office furniture, insurance and any other expenditure necessary for the successful completion of the project. Postage costs are considered as overhead costs and cannot be accepted under the headings "publications" or "administration".

If the accepted budget includes a provision for flat-rate funding in respect of indirect costs, such costs do not need to be supported by accounting documents.

Indirect costs are not eligible for an action where the beneficiary already receives an operating grant from the EU budget during the period in question.

3.2.4 Non-eligible costs

The following expenses are ineligible and therefore not accepted:

- contributions in kind: these are contributions that are not invoiced, such as voluntary work, equipment or premises made available free of charge;
- return on capital;
- debt and debt service charges;
- doubtful debts;
- provisions for losses or potential future liabilities;
- interest owed;
- exchange losses;
- VAT, unless the beneficiary can show that he/she is unable to recover it according to the applicable national legislation. VAT paid by public bodies is not an eligible cost. It should be noted that VAT paid by a public body³⁰ to operators who are subject to VAT (when purchasing goods or supplying services within the framework of the implementation of the co-financed action) is not eligible. The VAT thus collected by operators liable for tax will in fact be returned to accounts of the Member State of the public body. Considering this VAT as an eligible cost would lead to double financing (by the EU and by the fiscal revenue).
- excessive or reckless expenditure;
- costs declared by the beneficiary and covered by another action or work programme receiving a EU grant.

³⁰ In accordance to Council Directive 2006/112/EC of 28/11/06, states, regional and local government authorities and other bodies governed by public law shall not in theory be regarded as taxable persons in respect of the activities or transactions in which they engage as public authorities.

3.3 Income

Total income must be identical to total expenditure. The income side of the budget must show:

- The beneficiary's contribution in cash: the direct monetary contribution from the applicant's own resources and/or the contribution from any other fund providers. This means an effective expenditure, i.e. a financial flow that can be traced in the written accounts. Placing a civil servant remunerated by a public administration, or an employee of a company or organisation, at the disposal of the project is treated as a cash contribution since this gives rise to an expense that can be identified in the accounts of these administrations or organisations.
By way of another example, if a meeting room is made available paying the cost of rental, then this is treated as a cash contribution, which can be included in the direct eligible costs of the project and on the income side.
- The revenue generated by the action: any income expected to be generated by the implementation of the action should be detailed (such as the yield from sales of publications or conference registration fees).
- The EU grant: the grant requested from the Commission.

4 HOW THE GRANT WILL BE CALCULATED

If the proposal is selected for a grant, the Commission will calculate the EU contribution as a percentage of the total eligible costs as shown in the estimated budget for the implementation of the action.

The Commission reserves the right to reduce the grant requested if the proposal is acceptable but considered too expensive, and to reduce individual unit costs if these are estimated to be too high.

Determination of the final amount of the grant

The EU final grant is calculated on the basis of the **actual** eligible expenditure by applying the "double ceiling" rule and verifying compliance with the non-profit rule.

- Application of the "double ceiling" rule limiting the grant both to the percentage of the eligible costs and to the maximum amount mentioned in the grant agreement

The EU final grant is calculated by applying the percentage for the co-financing of the eligible costs laid down in the grant agreement to the total of the actual eligible costs. This amount must not exceed the maximum amount for the EU grant laid down in the grant agreement.

As a result, if the actual expenditure turns out to be lower than the expenditure you budgeted, the actual grant will also be reduced in application of the percentage contribution which will remain the same. If the actual expenditure turns out to be higher than the expenditure budgeted, the EU grant will not be increased. It is therefore in the applicant's interest to submit a realistic estimate of expenses.

- Verification of compliance with the **non-profit rule**

The grant may not have the purpose or effect of producing a profit for the beneficiary³¹. On the basis of the above rule, if the total income of the action is higher than the total costs, the final grant amount will be reduced accordingly so that it will not produce a profit.

A mere forecast of expenditure does not give entitlement to a grant. This is why the exact amount of the final grant cannot be calculated until the Commission has received the final activity report and the final statement of expenditure. The expenditure that is committed to the implementation of the action must be justified by invoices or equivalent supporting documents, in order to be accepted as actual expenditure. It must also relate to actual rather than inputted costs.

5 AGREEMENT GOVERNING THE GRANT

Should the Commission award a grant, a grant agreement setting out the conditions and maximum level of funding will be concluded with the beneficiary. Successful applicants will receive two original copies of the grant agreement for acceptance and signature. Both of these copies must be sent back to the Commission, which will then return one of them once it has been signed by both parties.

If international organisations are selected under this specific call, they will receive an agreement based on the "EU Contribution agreement with an International Organisation".

6 PAYMENT PROCEDURES

The payment procedures will be laid down in the grant agreement.

The balance will be paid upon acceptance by the Commission of the final technical implementation report and final financial statement.

7 GUARANTEE³²

The Commission may require the beneficiary to provide a guarantee in advance, in order to limit the financial risk linked to the payment of the pre-financing.

This guarantee shall be denominated in euro and shall be valid for a period sufficiently long to allow it to be activated. The guarantee shall be provided by an approved bank or financial institution established in one of the Member States.

The guarantee shall be released as the pre-financing is gradually cleared against interim payment(s) or payment of the balance to the beneficiary in accordance with the conditions laid down in the grant agreement or, in the absence of such clearing, three months after a

³¹ Art. 109(2) FR

³² Compulsory in the case of pre-financing representing over 80% of the total amount of the grant and exceeding EUR 60 000. However, this requirement may be waived for public-sector bodies and international organisations or for beneficiaries who have signed a framework partnership agreement with the Commission. (Art.118 FR and 182(1) IR).

recovery is notified to the beneficiary by which the Commission asks him to repay the pre-financing. The Commission undertakes to release the guarantee within the following month.

In exceptional cases, the guarantee may be replaced by a joint and several guarantee by a third party or by the irrevocable and unconditional joint guarantee of the beneficiaries of an action who are parties to the same grant agreement.

8 BANK ACCOUNT AND INTEREST GENERATED BY PRE-FINANCING PAYMENTS³³

Payment shall be made to the beneficiary's bank account or sub-account denominated in Euro. The account or sub-account indicated by the beneficiary must make it possible to identify the funds transferred by the Commission and the interest yielded by the pre-financing payments.

If the funds paid into the account yield interest or equivalent benefits under the law of the State on whose territory the account is opened, such interest or benefits, if they have been generated by pre-financing payments which remain the property of the European Union, shall not be treated as a receipt for the action.

The beneficiary shall, as specified in the grant agreement, inform the Commission of any interest or equivalent benefits yielded by pre-financing payments higher than EUR 50 000 it has received from the Commission. Notification must be made when the request is introduced for interim payment or for payment of the balance that clears the pre-financing.

Interests yielded by pre-financing payments between EUR 50 000 and EUR 750 000 will be directly deducted from payments. Interests generated by pre-financing payments higher than EUR 750 000 will be recovered through a recovery order.

Interests shall not be due to the EU on pre-financing paid to Member States, that is to say, not only the central structure of the State, but also, on the one hand, the regional or local authorities and, on the other hand, the public bodies acting on behalf, under the control or the responsibility of the Member State, or paid in the framework of joint management with international organisations.

All costs related to these requirements (such as the cost for opening and closing accounts) are eligible and may be submitted in the budget estimate.

9 SUBMISSION OF REPORTS AND OTHER DOCUMENTS

Within three months after the closing date of the action, the beneficiary must submit to the Commission the final report on the implementation of the action, along with a final financial statement of all actual expenditure and actual revenue. Both reports must be submitted on-line via SWIM as well as in paper version (see section 13). The final implementation report must be completed using the template announced in the call that will also be annexed to the grant agreement.

Should the final report be deemed to be inadequate or of low quality, the Commission reserves the right to request additional information within 60 days of reception of the final

³³ Art. 5(a) FR, Art. 3, 4, 4(a) IR

report, and, if necessary, to suspend the final payment until the requested information is provided.

In addition to these requirements, other documents that might be indicated in the text of the call for proposals must also be provided.

10 PUBLICITY

All grant beneficiaries are required to mention clearly the fact that they have received funding from the EU in any publication, in other materials, and during activities (conferences or seminars, etc.), for which the grant is used, using the following wording: "**With financial support from the European Union**". The logo of the EU, given at the following web address: http://europa.eu/abc/symbols/emblem/index_en.htm should also be visible.

Any communication or publication by the beneficiary, in any form and medium, including the Internet, shall indicate that sole responsibility lies with the author and that the Commission is not responsible for any use that may be made of the information contained therein.

In addition to these minimum requirements, references specified in the text of the call for proposals must also be indicated.

All grants awarded in the course of a financial year shall be published on the Internet site of the EU institutions during the first half of the year following the closure of the budget year in respect of which they were awarded.

By signing the grant agreement for an action, the beneficiary authorises the Commission to publish the following information in any form and medium, including via the Internet site of the EU³⁴:

- the beneficiary's name and the address
- the subject of the grant,
- the amount awarded and the rate of funding of the costs of the action.

In order to achieve a wider dissemination of project results, the elements concerning, inter alia, the project description, results and methodology, provided by the beneficiary in the final report, may be published on the European Commission's website.

Upon a duly substantiated request by the beneficiary, publication of this data can be waived if it threatens the safety of the beneficiary or harms his business interests.

11 EVALUATION

If the proposal should include a specific evaluation component for ongoing monitoring and final evaluation of the action, these costs can be taken into account as eligible in the budget estimate.

³⁴ Art. 110(2) FR, 169(2) IR

Successful proposals could be the subject of an ongoing and ex-post evaluation led by the Commission and/or by independent experts selected by the European Commission. Therefore, the beneficiaries of the grant undertake to make available to the Commission and/or persons authorised by it, all necessary documents or information as will allow the evaluation to be successfully completed and give these persons the rights of access required.

12 CHECKS AND AUDITS

An external audit report is required in the following cases:

12.1 Audit report in support of grant applications³⁵

Organisations' proposals for an action for which the grant exceeds EUR 500 000, shall be accompanied by an external audit report produced by a certified auditor. That report shall certify the accounts for the last financial year available.

12.2 Audit report in support of requests for payment³⁶

An external audit report produced by an approved auditor or in case of public bodies, by a competent and independent public officer may be required by the authorising officer in respect of any interim or final payment request, depending on his assessment of the management risk.

It is compulsory in the case of a grant for an action over EUR 750 000, when the cumulative amounts per financial year of requests for interim payments and for payment of the balance is at least EUR 325 000. The purpose of the audit report is to certify that the submitted accounts comply with the financial provisions of the agreement, that the costs declared by the beneficiary in the financial statements on which the request for payment is based are real, accurately recorded and eligible according to the grant agreement and that all receipts have been declared.

The obligation to provide such a certification of the financial statements and underlying accounts may be waived in the cases of grant beneficiaries that are public bodies or international organisations. If an external audit of the action's accounts is not required, the beneficiary himself shall certify on his honour that information contained in requests for payments is full, reliable and true. He shall also certify that the costs incurred can be considered eligible in accordance with the grant agreement and that requests for payment are substantiated by adequate supporting documents that can be checked.

The beneficiary undertakes to provide any detailed information requested by the Commission or by another qualified outside body chosen by the Commission for the purposes of checking that the action and the provisions of the agreement are being properly implemented. The beneficiary must enable the Commission and/or the Court of Auditors to verify the organisation's accounting documents, if they deem this appropriate. To this end, documentation justifying items of expenditure must be retained by the applicant's organisation for five years following final payment by the Commission.

³⁵ Art. 173(4) IR

³⁶ Art. 180(2) IR

13 PROCEDURE: ELECTRONIC MEANS OF SUBMISSION - SWIM

The Internet Web application called "SWIM" (SAGA Web Input Module) allows applicants/beneficiaries to introduce, edit, validate, print and submit grant applications, request for payments and request for modifications on the budget estimate. SWIM can be accessed in the following web address³⁷: <https://webgate.ec.europa.eu/swim>.

The final financial statement and the final implementation report will also be submitted via SWIM.

13.1 Introduction of grant applications

The grant application form has to be electronically filled in as follows: first, access the system at the address mentioned above and click on the link "New grant application", then, select the number of the call for proposals you wish to apply for and fill in your application. Once your application is completed, click on the "submission" button in order to finalised the submission procedure. Please note that after submitting your application form electronically no changes to the application are possible.

After electronic submission, the application form must also be printed out, signed by the legal representative of the organization submitting the proposal and sent by post to the responsible Unit, as specified in the text of the call for proposals.

Failure to respect this procedure will render the application ineligible.

13.2 Requests for payments and budgetary modifications

In addition to the documents specified in the grant agreement, financial documents required in support of requests for further pre-financing payments (if applicable) and for payment of the balance, as well as requests for modifications of the budget estimate to be made by addendum must also be electronically submitted using SWIM, as well as by post duly signed by the legal representative.

To be allowed to log on to SWIM and access its grant file, the beneficiary will be asked to enter the same File number and Access code assigned by the system to the grant application when it was created.

13.3 Final reports

As mentioned in section 9, the final report on the implementation of the action and the final financial statement of the actual expenditure and actual revenue must be submitted on-line via SWIM as well as by post duly signed by the legal representative.

14 DATA PROTECTION

The grant application will be processed by computer. All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions

³⁷ For more technical details on using SWIM, a user's manual is available on-line

and bodies and on the free movement of such data³⁸. Replies to the questions in the application form are necessary in order to assess the grant application and they will be processed solely for that purpose by the department responsible for the EU grant programme concerned. On request, applicants may be sent personal data to correct or complete. For any question relating to these data, please contact the Commission department to which the form must be returned.

Beneficiaries may lodge a complaint against the processing of their personal data with the European Data Protection Supervisor at any time.

15 EARLY WARNING SYSTEM AND CENTRAL EXCLUSION DATABASE

Grant applicants and, if they are legal entities, persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations mentioned in:

- the Commission Decision of 16.12.2008 on the Early Warning System (EWS) for the use of authorising officers of the Commission and the executive agencies (OJ, L 344, 20.12.2008, p. 125), or
- the Commission Regulation of 17.12.2008 on the Central Exclusion Database – CED (OJ L 344, 20.12.2008, p. 12),

their personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the EWS only or both in the EWS and CED, and communicated to the persons and entities listed in the above-mentioned Decision and Regulation, in relation to the award or the execution of a procurement contract or a grant agreement or decision.

³⁸ Official Journal L 8, 12.1.2001.

ANNEX II

**MODEL FOR TENDER SPECIFICATIONS FOR SUBCONTRACTING
EXTERNAL EXPERTISE**

Tender Specifications –

- 1. Background**
- 2. Purpose of the Contract**
- 3. Tasks to be performed by the Contractor**
 - 3.1. Description of tasks**
 - 3.2. Guidance and indications on tasks execution and methodology**
- 4. Expertise required**
- 5. Time schedule and reporting**
- 6. Payments and standard contract**
- 7. Price**
- 8. Selection criteria**
- 9. Award criteria**

The contract will be awarded to the tenderer whose offer represents the best value for money - taking into account the following criteria:

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It should be noted that the contract will *not* be awarded to a tenderer who receives less than 70% on the Award Criteria.

- 10. Content and presentation of the bids**
 - 10.1. Content of the bids**
 - 10.2. Presentation of the bids**