EUROPEAN COMMISSION

DIRECTORATE-GENERAL
FREEDOM, SECURITY and JUSTICE,

EUROPEAN REFUGEE FUND "COMMUNITY ACTIONS" 2009

GUIDE for APPLICANTS

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I. INTRODUCTION

I.1. PURPOSE OF THE GUIDE

Dear Applicant,

The purpose of this Guide is to offer you a user-friendly tool that guides you through the application procedure and the application form. It also serves as a reference tool and can be used as a quick guide to answer any questions you may have when preparing your application.

The application form has to be filled in by the applicant, in close cooperation with the partners which would receive EC contribution (identified as co-beneficiaries in the grant agreement). Filling in this form can take some time. Please make sure that you have allocated a sufficient number of hours to carry out this work and you have all the necessary documents at your disposal.

Before you start:

Read carefully the 2009 Call for proposals and the 2009 Work programme to find out which actions may be funded, this year's priorities, the conditions to apply, the evaluation and award criteria and how to submit your proposal.

Investigate the state-of-the-art and try to build on previous ERF community actions projects.

Find suitable project partners (if required). Please bear in mind that some actions must include partnership at least in a minimum number of Member States (see point 7 of the 2009 Call for proposals).

Please see the specific conditions concerning participants from Denmark, candidates or third countries.

In addition to this guide, you are strongly recommended to consult the European Commission's Freedom, Security and Justice website:
http://ec.europa.eu/justice_home/funding/refugee/funding_refugee_en.htm

If you cannot find the answer to your question in the guide, you may send your questions in writing (by e-mail) to the JLS-EUROPEAN-REFUGEE-FUND@ec.europa.eu which has been set up for that purpose.

Good luck!

2009 Deadline for application
The completed application and annexes must be submitted to the Commission by
<u>18 DECEMBER 2009</u>
Applications submitted after the deadline will be automatically rejected

II. GUIDELINES FOR APPLICANTS

II.1. HOW TO APPLY?

General Guidelines

Only carefully prepared proposals will be considered for financing.

To summarise:

- The first phase, preliminary to the formulation of the project, should consist of identifying the issue to be addressed.
- Once this is done, the objective of the project must be set. This should directly address the problems identified and should be precise and clearly set out.
- The next step is to identify the results of the projects which are to be achieved in order to meet the objective. The result must take into consideration the relevant conditions. Wherever possible, these should be set out in quantifiable terms.
- Next, consider which actions are needed to obtain there results. For each action clearly identify how, where and when it will be undertaken, who will do it and how much it will cost. Any action that does not contribute directly to the objective must be discarded.
- Carefully plan how the project will be organised and managed, who is responsible for carrying out which actions, who reports to whom and what kind of management structured is needed.
- Consider at each stage of writing the application, which assumptions you are making. External factors (authorisation of measures by public authorities, support from local interest group) are essential for the success of the project and should be fully identified and described, as should any potential difficulties that might arise.
- Establish how the planned actions and expected results can be verified. This will make it possible to monitor the project.
- A simple procedure must be provided to evaluate the results in relation to the initial objective, both during implementation and at the end of the project.
- Useful lessons that could be passed on the other projects should be identified. Conversely, the experience of similar projects should be used during the preparation of the project.
- Make sure the budget is consistent with the actions proposed and that financial resources will be available when needed.

Conditions

1. Use the official grant application form, otherwise the application will not be eligible. The application form and others documents can be downloaded from:

http://ec.europa.eu/justice_home/funding/refugee/funding_refugee_en.htm

2. The form must be completed, printed, and last page dated and **signed** and sent with all the other documents necessary for an application.

3. The submission of proposals must comply with the Call for proposals.
4. All partners in the project must complete and sign a **'Declaration by Partner organisation'** indicating their role and possible financial contribution to the project. This declaration also certifies that they are not in one of the situation mentioned in the financial regulation for exclusion. Moreover, they will have to give a mandate to the applicant (co-ordinator as called in the grant agreement) before the signature of the grant agreement. The amount of the co-financing mentioned on the declaration of partnership should be coherent with the 'Total budget estimate'.
5. All associate partners in the project must complete and sign a **'Declaration by Associate partner** indicating their financial contribution to the project. The amount of the co-financing mentioned on the declaration should be coherent with the 'Total budget estimate'.
6. All co-financing third parties must complete and sign a **'Declaration by co-financing third party'** indicating their financial contribution to the project. The amount of the co-financing mentioned on the declaration should be coherent with the 'Total budget estimate'
7. Each proposal must contain 2 paper copies (one original and one copy) of the requested documents.

   Each proposal must also contain a CD-ROM or USB key, readable and not corrupted containing an electronic version of the following documents:

   – the grant application form “ERF – Community Actions 2009 ” duly filled in;
   – the log frame on the implementation of the project duly completed;
   – the “Total budget estimate” form duly completed;
   – the “Staff costs analysis” form duly completed;
   – the simplified balance and profit & loss account for the applicant **and** the partners (applicants and partners being public bodies or international organisations are not requested to fill in these forms).

Proposals must be sent by registered mail, by courier services or by hand delivery (see the respective address to submit your application in the Call for proposals) posted no later than

18 DECEMBER 2009

When the information of this Guide should not comply with the 2009 Call for Proposals, the applicant must follow the information provided in the Call for Proposals.

II.2. DEFINITION OF TERMS FREQUENTLY USED

Please note that there will be two kinds of grant agreement signed depending of the structure of the project:

– When the project will only be implemented by the applicant (and subcontractors under specific conditions), a grant agreement has to be signed. In this agreement, the term "applicant organization" will be replaced by "beneficiary".
– When the project will be implemented by the applicant and several partners, a grant agreement with multi-beneficiaries has to be signed. In this agreement, the term "applicant organization" will replaced by "co-ordinator". For the purpose of the grant agreement, the 'partners' receiving EC contribution will be considered as co-beneficiaries, they have to sign a mandate to the applicant (co-ordinator) and they are bond by the terms of the grant

agreement. Please note all references to Articles of the grant agreement refer to the draft grant agreement for an action with multiple beneficiaries.

Applicant organization (beneficiary or co-ordinator): any national, regional and local authorities registered in one of the 26 Member States participating in the European Refugee Fund (Belgium, Bulgaria, Cyprus, Czech Republic, Estonia, Germany, Greece, Spain, France, Hungary, Ireland, Italy, Luxembourg, Netherlands, Latvia, Lithuania, Malta, Austria, Portugal, Poland, Romania, Slovakia, Slovenia, Finland, Sweden and the United Kingdom of Great Britain and Northern Ireland), any universities, and non-governmental organisations as well as international organisations, working on a strictly non-profit basis, with proven experience and expertise in the fields covered, taking into account their respective institutional competences.
There is only one applicant per project. The applicant is the only interlocutor of the Commission. The responsibilities of the potential beneficiary and/or co-ordinator are defined in the draft grant agreements.

Partners (co-beneficiaries): if requested, the project should involve a number of partners.
The partners shall actively participate in the technical implementation of one or more tasks of the project, for which their costs are borne and to which they could contribute financially. Depending on objectives, partners from a minimum number of Member States are required (see point 7 of the 2009 Call for proposals). The Member State where the applicant is registered counts for the compliance with the minimum Member States involved.
The applicant organization and its partners shall agree upon appropriate arrangements between themselves for the proper performance of the action. The partners of the project must sign a **'Declaration by Partner organisation'** by which they agree to actively contribute to the implementation of the project, as described in the grant application. They shall grant power of attorney to the applicant organization to act in their name and in their behalf in signing the possible grant agreement and its possible subsequent riders with the European Commission
The responsibilities of the potential co-beneficiaries are defined in the draft grant agreements.

Associate partners: organisations from Denmark, candidate countries and other non EU countries may participate in project activities as associate partners where this serves the aim of the project. Activities of associate partners are not eligible for EC funding. The associate partners of the project must sign a **'Declaration by Associate Partner organisation'.**

Co-financing third parties: any organization financing the project and not benefiting from the Community contribution. The co-financing third parties are not required to be directly involved in the technical implementation of the project. They only support financially the project.
The co-financing third parties must sign a declaration by which they agree to finance the project.

Subcontractor(s): subcontractors are service providers to the beneficiary or to a partner who fully funds (100%) their activity. The applicant and the partners are expected to have the resources necessary to carry out the work required by the project. Nevertheless, in certain circumstances subcontracting some aspects of the work may be more cost effective or efficient.
Subcontracting may under no circumstances be taken for applicants and/or partners. Their cost shall be borne by the applicant and/or the partners.
Subcontractors do not contribute financially to the project and therefore do not benefit from any intellectual property rights arising from the achievements of the project.

There shall be no statutory link between subcontractors and applicant, partners and their representatives, situation which could lead to potential conflicts of interest and circumvention of the principle of non-profit. In the latter case, Commission shall be informed and give its prior approbation.
The award of sub-contracts by a public applicant and/or partners must comply with the applicable rules on public tendering and be in conformity with Community Directives on public tendering procedures. Private applicants/partners should be able to prove that they have prospected the market in order to obtain best value for money.

Target groups: specific categories of persons to which the project is directly addressed. These are the population that your proposal intends to reach. They will essentially benefit and take forward the project outcomes in the future.

II.3. GUIDELINES CONCERNING THE PRESENTATION OF THE PROPOSAL

II.3.A. Introduction

The application form has been structured in a sequential way and once completed should contain all the information relevant to the evaluation of the proposal.

In principle, project proposals may be submitted in any official language of the European Union but preferably in English or French because the time needed for translation is long. However, in order to facilitate assessment by evaluators, English or French translations should accompany any proposal written in other languages.

While completing the application form it is important to:

- be precise;
- provide detailed and clear information, while remaining concise;
- concentrate on the key features, objectives and results of the project.

The evaluators will judge the project in relation to the exclusion, eligibility, selection and award criteria contained in the Call for Proposals.

II.3.B. GUIDELINES CONCERNING THE COMPLETION OF THE LOG FRAME (section 2.2 of the application form)

Here below is a log frame completed with example entries for each part. This log frame should be limited to 6 pages maximum.

Title of the Project	The title should give a 1-sentence (very brief) summary of the project. The title should be as specific as possible. It may include some notion of the main beneficiaries. Avoid specific data that might change, such as the number of beneficiaries, the exact location or sub-region of implementation, etc.			
Objective	This is the overall objective of the project.			
Priorities and Eligible Action defined as a priority	These Priorities and Eligible Action defined as a priority should be included in the Priority and Eligible Actions in the call for proposals (sections 2 and 3 of the 2009 Call for proposals).			
		Objectively Verifiable Indicators (to measure and assess the performance in achieving the project results) Indicators can be quantitative or qualitative.	Sources of Verification	Risks and Assumptions
Results and/or Deliverables	EG: Report, Publication, Web page, training course development, conference, etc.	EG: nr. of the people trained, number of publications	EG: List of attendance, Ministry statistics, outside expert evaluation report.	Risks and assumptions that are under your control. Assume full attendance and the risk of reduced attendance.
Activities and Methods (1) (2) … (n)	Calendar (MM/YYYY) Jan/YYYY Feb/YYYY Mar/YYYY Etc.	- very briefly describe each activity in **chronological** order. - collection of statistics (Partner 1), prepare questionnaire (Partner 2), + location - collect data (all partners) – where? - assemble the data and procedure with the analysis (Applicant) - draft report - etc.		Describe mitigating actions to reduce a risk (if possible). E.g. insurance, extra publicity.
				Pre-conditions: are assumptions that need to be achieved before the project can start. Once pre-conditions are met, the activities can start up.

This log frame table will be annexed to the signed Agreement. It has to give a comprehensive overview of the different elements of the Project. It will only contain concise information on results and activities. Any changes made to this log-frame at intermediate report or final report stage will be done using strikethroughs preserving the original proposed text.

A good indicator should be **SMART**
Specific (it measures what it is supposed to measure)
Measurable
Available at an acceptable cost
Relevant with regard to the objective concerned
Time bound
Several indicators may be needed to give reliable information on the project achievement, but avoid including too many indicators.

Include the location of all the activities. Where the project is the continuation of a previous activity or project, describe how the project is intended to build on the results of this previous project; as well as any anticipated synergies with, or possible constraints due to other current or planned projects or activities.
For each activity please include the organisational structure and team that will implement the activity (by function: there is no need to include the names of individuals). Describe the procedures for internal/external evaluation and for follow up.
Assumptions are the external factors that may affect the outcome of the action. Risks are negative or critical assumptions. Include realistic risks that are important and that can be mitigated. The assumptions and risks have to be monitored during the implementation of the operation. If the action may be negatively influenced by a risk that will almost certainly materialize, the action should be redesigned or, if that is not possible, not implemented.

Deliverables: includes reports and publications and how the project will be disseminated.

II.3.C. General guidance to complete the second part of the application form

Point 2.1.1: Project title
Define a title that characterises your action well without being too long.

Point 2.1.2: Acronym/Short title
The acronym is the most frequently used identifier of the action. Please stick to 30 characters maximum.

Point 2.1.3: Duration
The duration of projects to be co-funded must not exceed the maximum duration of 18 months. Mention the duration in months (see 2009 Call for proposals, point 5).

Point 2.1.4: Start date of the project
Please indicate the starting date of the project. Refer to point 5 of the 2009 Call for proposals: a grant may be awarded for an action which has already started only where the applicant can demonstrate the need to start the action before the grant agreement is signed. In such cases, expenditure eligible for financing may not have been incurred prior to the date of submission of the grant request; following publication of the call. The indicative starting date of the projects should be before 31 July 2010.

Point 2.1.5: End date of the project
Estimated end date of the project.

Point 2.1.6: Location(s) where the project will be implemented
Please detail.

Point 2.1.7: Summary of the project
The summary should provide the reader with a clear understanding of the proposal's objective and action, with which activities the objective and action will be achieved and what will be the major output and results at the end of the project.
The summary shall contain the essential elements of your project and should respond to the following questions:

- **WHAT is the type of activity?**
- **HOW many people are involved** and what is their role?
- **WHAT is the exact content?**
- **WHAT are the expected outputs and deliverables?**

If the project is selected for co-financing, this summary will be put on the ERF website for dissemination purpose.

Point 2.1.8: Specification of the content of the project
Make sure you tick the appropriate box, by selecting the description most relevant to the project.
Refer to points 2 and 3 of the 2009 Call for proposals.

For “eligible actions” only **one selection is allowed**.

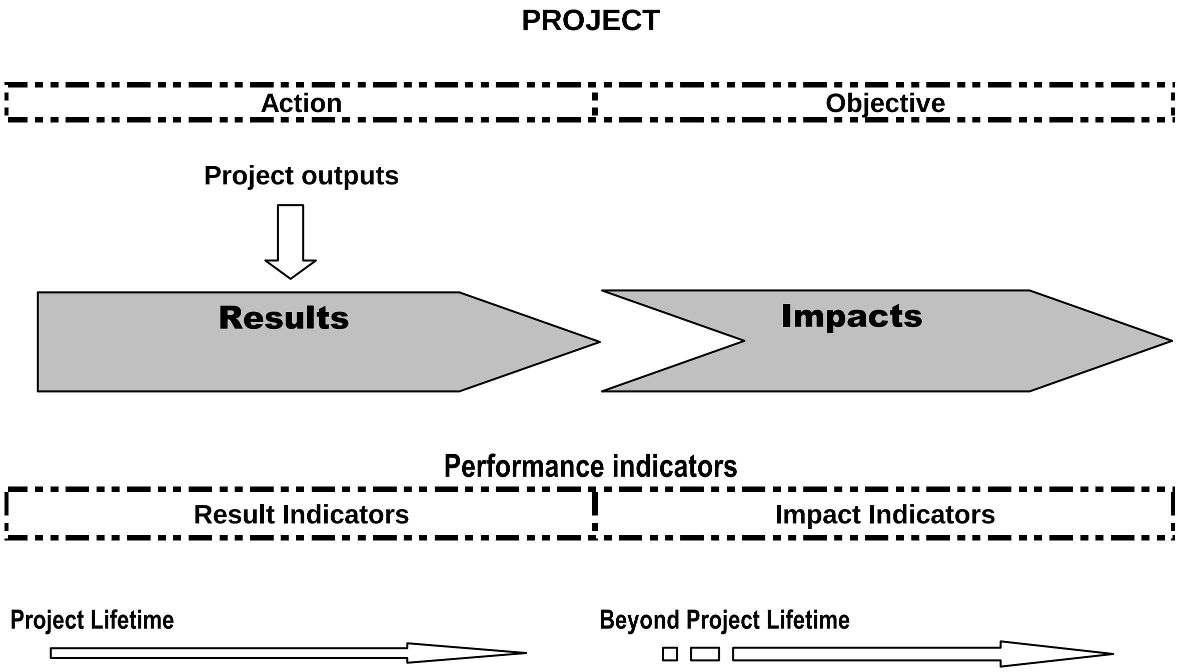
Point 2.1.9: Your specific detaild project objectives.
Please give details on the overall project objectives.

Point 2.1.10: List of partners involved in this project
It is important to list all the Partners participating in the operation and to attach the declaration of partnership for each partner.

Point 2.2: Content of the project
A precise description of general objectives and, if possible, indicators, should be included, as well as a definition of target beneficiaries (people directly benefiting from the project).
The general objective is a general indication of the project's contribution to target groups in terms of its long-term benefit. Please bear in mind that general objective is expected to go beyond the immediate results of your proposed action. It is your projections into the future – based on an extrapolation of the results of your action in to the future. Please shortly explain your predictions and explain how the measurements of your impacts will allow your predictions to be confirmed.
The general objective has to correlate with the specific objective of the project. The specific objective is a concrete statement describing what the project is trying to achieve in order to reach its general objective. It should be specific, measurable, acceptable for the target group, realistic and time-bound.
The general objective of the project can be self-contained or form part of a larger strategy to improve knowledge, skills, co-operation processes at the level of the applicant organisation,

country, partner organisations. Please remember that specific objectives should be achieved by the end of your project.
You are asked to formulate your performance indicators that will illustrate when you consider your project to be successful.

Please look at the visual illustration of the approach to consider:



Performance indicators provide an important framework for assessing the project's results and potential impacts.

- Result indicators measure the achievements against your specific objective;
- Impact indicators project the projected impact against your general objective.

They will serve as target to assess progress toward achieving them and as an early-warning-system so that corrective action can be taken.

Point 2.2.1 Estimated total number of direct beneficiaries (
These are persons or entities that your proposal intends to reach. They will be positively affected by the project. It will be essential that you credibility demonstrate how they will be 'engaged' in the project so that they will naturally take on ownership of the results in the future.

Point 2.2.2: Please define who the direct beneficiaries are in each Member State and provide an estimation of the number of direct beneficiaries by Member State and other countries
Please detail.

Point 2.2.3: Roles of the partners and involvement of the target group
Describe how the project will be organised. You should describe the tasks you propose to perform during the course of the action and outputs performed/deliverables produced. It will be important that you keep in mind the objectives and the actions of your proposal and that you describe the steps and tasks that you propose in order to achieve those.
List also the critical steps/moments where the project could fail.

It is important to break down the tasks to a level that allows the Commission to assess the maturity of the project in terms of planning and preparation. You should avoid a description that is too general.

The task breakdown should list the actions and each participant's responsibilities as well as the expected results, please address the following important questions:

- how will you work together – internally with the partners and externally with the relevant target group?
- how will the quality of the work and of the outcomes be reviewed and assured? And how will you monitor the progress in relation to each of the performance indicators?
- how will you ensure the real trans-national cooperation takes place? (for example: it is not considered trans-national when organisations from different countries only work in parallel on the same issue)
- how will you communicate with other partners and how will you maintain good communications between the project meetings?

Please, take particular care in choosing the technologies, consumables and equipment necessary for the production of awareness-raising material. Environmentally-friendly products/technologies should be favoured.

Note that all the material must bear a clear reference to the Community's financial support.

Point 2.2.4: Please, briefly demonstrate your knowledge of the most recent developments on the subject of your proposal

Applicants should demonstrate that they are aware of the main developments in the field concerned and have clear views on the specific role of the project in this context. They have to produce relevant evidence on which the project bases itself.

Point 2.2.5: How is your project innovative? Is it innovative compared to the practice in the relevant Member State? You must clearly identify the progress the project intends to accomplish within the field in relation with the state-of-the-art and ensure that there will be neither inappropriate duplication nor overlap, whether partial or total, between projects and activities already carried out at European and international level.

The innovative nature of the project can be documented using an analysis of the-state-of-the-art in order to demonstrate that a project adds to what is already available, addresses the existing shortcoming and represents an improvement in comparison with the current situation.

Point 2.2.6: What is the added value of your project at European level?

Projects funded within the ERF programme are expected to contribute to solving problems at the European level, and the expected impact of co-ordinating the work at European level should be greater than the sum of the impacts of national activities.

The specific added value for the applicant organisation and the partners should be clearly explained. The EU added value encompasses the impact of the project on the target groups and the reinforcement of relations between participants to the project.

Point 2.3.1: Describe how the results will be sustainable (and possible medium and long-period impacts)

Please distinguish between the following aspects of sustainability:

- financial sustainability (how will the activities be financed after the EC funding ends?)
- institutional sustainability (will structures allowing the activities to continue be in place at the end of the present project? Will there be local 'ownership' of project outcomes?)

- sustainability at the policy level (where applicable) (what will be the structural impact of the project – e.g. will it lead to improved legislation, codes of conduct, methods?).

Point 2.3.2: Describe how, and to whom, the results will be used and disseminated

The usefulness of the expected results, the dissemination of results, lessons learned, acquired know-how should be detailed.

Applicants must clearly illustrate the adequacy of envisaged strategy and methodology proposed to ensure transferability of results and sustainability of the dissemination. Dissemination refers to the process of making the results and deliverables of the project available to the stakeholders and a wider audience. A dissemination plan should be elaborated, explaining how the project plans to share outcomes with stakeholders, relevant institutions and organizations. Specifically, the dissemination plan should illustrate what will be disseminated (key message), to whom (audience), why (purpose) how (method) and when (timing).

Although a project is by definition limited in time, the purpose is to make the results and outcomes sustainable. The dissemination strategy should therefore pay attention to the transfer of knowledge and to the processes needed for embedding and future take-up.

Point 2.3.3: Visibility of the EC funding

Note that any communication or publication by the beneficiary about the action, including at a conference or seminar, shall indicate that the action has received funding from the Community. Any communication or publication by the beneficiary, in any form and medium, 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.

Please describe briefly how you intend to ensure correct visibility of the EC funding.

The EU logo should be visible on any communication or publication, as well as the sentence "Project co-financed under the European Refugee Fund ".

Point 2.3.4: Internal evaluation

Applicants must clearly explain the kind and adequacy of methods proposed and indicators chosen.

This concerns the project own internal evaluation, a systematic appraisal of the quality of the project (e.g. whether the project outcomes are useful and meet the user needs), and its effects (e.g. whether the project achieved its objectives and had an impact on the target groups). The evaluation methodology should be adequate (formulation of specific evaluation questions and for each evaluation question, methods to collect data), inferred from an evaluation plan, specifying purpose, questions, design, method, measurement instruments, and the task, responsibilities and timing of the evaluation and based on indicators which are variables measuring the performance of a project and the level to which the set objectives are reached.

Point 2.3.5: External evaluation

Please give details if the project will be externally evaluated. Please note that evaluation by a partner to the project cannot be considered as an external evaluation.

II.4. GENERAL REMARKS REGARDING THE EXPENDITURE

NB: *For a full understanding of the budgetary concepts of a grant application and of the eligible categories of expenditure, you are asked to consult the* ***standard grant agreements*** *available from the ERF website:*

- http://ec.europa.eu/justice_home/funding/refugee/funding_refugee_en.htm

- *the grants section, – Title VI, of the* Financial Regulation and the Implementing rules of the Financial Regulation

II.4.A. Information on the budget.

As part of the application the applicant must provide a detailed forward budget of the project in euros, with information on both planned expenditure and expected income (indicating the amount of co-financing requested from the Commission, own funding and any other funding), the two totals must be balanced.
In case of partnership, the total budget estimate shall identify the expenses, the income and the EC grant received by each partner.
To this end, it is required to use the '*ad hoc* budget form'. Financial contributions from the applicant, partners and other sources must be taken into account in the appropriate headings and must be consistent with the Partnership Declarations, Associate partner declarations and/or Co-financing third parties Declarations. The overall budget must be relevant, appropriate and consistent with the objectives of the project and well distributed among partners, taking into account the respective roles.

The Commission's financial contribution cannot exceed **90% of total eligible costs**. You will therefore need to secure funding from other sources to cover the balance.

For co-financed projects, Community support is given only if there are other public or private sources of co-financing: partners, sponsors, fees, expenses borne for/by participants. In the latter case, they are mentioned both as an expense and as an income**.** Co-financing shall be proven by a written declaration of co-financing to be signed by each partner and/or third parties co-financing the project, specifying clearly the amount of financing they will bring to the project.

For the applicant, the signature on the application form and the total budget estimate form constitute the commitment required in respect of its own contribution.

In case projects start before the signature of the grant agreement, applicants should be able to pre-finance their project. However, after signature of the grant agreement, the Commission may make a pre-financing payment to the beneficiary.

The budget form provided by the Commission in Microsoft Excel format must be correctly completed. It is important to include precise and detailed information: functions of the staff, units for the calculations (day, trip, book, pages, etc.), number of units, your accounting references, etc.

Do not use words such as "lump sum, forfait" in unit description. Give a detailed estimation of each cost: ex. for printing or translation, specify the number of pages, the price by page, etc.
For travels specify the number of trains tickets, planes tickets and the price for each, etc.

Only contributions from applicant, partners and third parties can be indicated as lump sum.

Community funding may under no circumstances give rise to profit.

The applicant must confirm that he has not received, and undertakes he will not receive in the future, another grant for the same project from a European Institution. Double financing shall be considered as a failure of the agreement under the provisions of Article II.11.3(f) of the grant agreement. Total recovery of the grants will be carried out in the event of double financing for the same project

II.4.B. Rules concerning eligible expenditure

There are two main categories of expenditure: eligible direct costs and eligible indirect costs (overheads).

1. Eligible Direct Costs

In the context of grants, the costs considered eligible for Community funding are those that satisfy the criteria stated in Article II.14.1 of the grant agreement.

In particular, the following direct costs are eligible under specific conditions:

- staff working directly on the project (heading A);
- travel and subsistence allowances of staff working directly on the project (heading B);
- equipment (heading C);
- conferences and seminars (including travel and subsistence costs staff working on the project) (heading D);
- other direct costs related to the implementation of the project (consumable, publications, specific evaluation of the action, audits or certification of final accounts by an auditor or chartered accountant, etc.), including the costs of any financial services (especially the cost of financial guarantees) (heading E).

The percentage of European Community funding mentioned in the Grant Agreement is calculated on the total eligible costs of the operation **(H = direct eligible costs (F) + Overheads (G)).**

A. Staff costs

A.1. General rules

Direct costs for staff are eligible only for persons that have a key and direct role in the project, such as project managers and other staff operationally involved in the project, for example planning project activities, implementing (or monitoring) operational activities, delivering services to the final recipients of the project, etc. As a general rule, permanent employees (employed by the applicant and/or its partners) cannot be charged to the project for 100% of their time.

Costs for other members of staff in the beneficiary organisation who only provide a supporting role for the organisations implementing the project (such as the general manager, accountant, procurement support, human resources support, information technology support, administrative assistant, receptionist, etc.) are ineligible as direct costs and shall be covered by the overheads.

Staff costs shall be detailed in the forward budget, indicating functions, number of staff and names. If the names of the persons are not yet known or cannot be disclosed, indication shall be provided of the professional and technical capacities of the persons set to implement the relevant functions/tasks within the project.

The cost of staff assigned to the project, i.e. salaries and social security contributions and other statutory costs, shall be eligible, provided that this does not exceed the average rates as regards the beneficiary's usual policy on remuneration. Staff costs must be calculated on the basis of the actual daily salary/fee of the employee/service provider, multiplied by the number of days exclusively devoted to the implementation of the project. Where applicable, this figure may include all the usual contributions paid by the employer, but it must exclude any bonuses, incentive payments or profit-sharing schemes. Levies, taxes or charges (in particular, direct taxes and social security contributions on wages) arising from projects co-financed by the EC amount to eligible costs only where they are actually borne by the beneficiary of the grant or its partners.

Staff shall be allocated to the project on the basis of a clear and verifiable method and shall fill in timesheets showing the hour worked for the tasks related to the project.

A.2. Specific conditions for staff costs of public bodies

Staff costs of public bodies (civil servants) implementing the project are considered to be **direct eligible costs** only in the following situations:

a) a person contracted by the beneficiary solely for the purpose of implementing the project;

b) a person employed on a permanent basis by the beneficiary who:

- fulfils tasks specifically linked to the implementation of the project on the basis of overtime remuneration; or

- is seconded by a duly documented decision of the organisation to tasks that are specifically linked to the implementation of the project which do not form part of his/her normal routine and he/she is replaced for his/her usual tasks by another person recruited by the organisation.

In addition, <u>in duly substantiated cases</u>, the costs corresponding to work carried out by civil servants (employed by the applicant and/or its partners) for tasks that are part of his/her normal routine may be considered as **staff costs covered by assigned income** under the following conditions:

a) tasks of these civil servants are specifically linked to implementation of the project and do not arise from the statutory responsibilities of the public authority;

b) these civil servants entrusted with implementing a project are seconded by a duly documented decision of the competent authority;

c) the value of these costs can be audited and may not exceed the costs actually borne and duly supported by accounting documents of the public authority;

d) These costs should be covered by the co-financing of the project as regards the contribution from the applicant and its partners and the total cost of these civil servants shall not exceed 50% of the total co-financing given by the applicant and/or its partners

The amount will appear on sheet A of the budget under a specific sub-heading "costs covered by assigned revenue" and will be also included in the beneficiary / partners contributions.

A.3. Practical arrangements

The applicant must provide information on the appropriate form "Staff costs analysis" (Excel file) provided on the ERF website.

The applicant is advised first to fill in the "staff costs analysis" form and afterwards fills in the sheet “A / staff” of the budget file for all the staff working on the project (applicant + partners). The applicant must ensure the consistency of the data between the 2 files: on form “staff costs analysis”, the amount in the top box “total personnel cost proposed” equals the total of the sheet A “staff costs” of the budget.

Calculating the number of time units in a year may vary depending on many factors. As an example, the annual number of working days could be calculated in the following way: from the total number of week in a year, i.e. 52, deduct 5 weeks of holidays and 2 weeks of bank (public) holidays, which leaves 45 working weeks. Five working days per week gives 225 working days. This calculation can vary depending on special conditions applicable to the individual beneficiaries.

Please note that staff costs cannot include expenditure on translation/interpretation, which must be included in “Conferences and seminars” (heading D) or “Other direct costs” (heading E).

B. Travel expenses and subsistence allowances costs (for project staff)

This section concerns costs charged for project staff (declared in sheet A "staff costs" or in sheet I "contribution in kind") and excludes costs related to conferences and seminars, which must be accounted for under the specific “Conferences and Seminars” heading D below.

Only travel and subsistence costs directly linked to the project and relating to specific and clearly identifiable activities are eligible for Community funding. Any travel to places other than those where the members of the partnership are located must be shown to be relevant to the project.

Travels outside the European Union are subject to a prior written authorisation by the Commission. This authorisation shall be related to the objectives of the mission, its costs and the reasons therefore**.**

Allowable travel costs under the agreement will be the real travel costs. It is required to use the cheapest means of travel, and to make every effort to use the most economical fare.

Expenses for airplane tickets within the EU should be kept to a minimum and should not exceed € 750 for the longest round trips unless duly justified explanation is provided and approved by the Commission in the budget estimate.

Expenses for car travel, where substantiated and where the price is not excessive, will be refunded as follows:

1. For private vehicles: on the basis of the declaration with a maximum corresponding to a 1st class rail fare (only the price of one ticket will be reimbursed, regardless of the number of people travelling in the same vehicle);
2. For hired cars (maximum category B or equivalent) or taxis: the actual cost where this is not excessive compared with other means of transportation.

The Daily Subsistence Allowances (DSA) for staff taking part in the action shall be calculated on the basis of daily allowances **or** real costs. They should be in line with the beneficiary's usual practices on travel costs. Anyway, they cannot exceed the amounts published on the website below.

Subsistence costs (comprising the cost of accommodation, breakfast, 2 daily meals and all other expenses such as taxis, local travel, cost of communications, including fax and internet, and all other sundries) may be co-financed by the project, provided:

1. They are reasonable in light of local prices;
2. They are calculated in accordance with the partner organisations' internal rules, which may be based on the real cost or the daily allowance.

The subsistence costs should not go over:

The daily allowance or per diem per person set and applied by the organisation to which the person travelling belongs.

Or

The TOTAL maximum daily allowance per person available on the website: http://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/documents/perdiem_200812.pdf

If meals or others expenses are provided for, the daily allowance has to be reduced accordingly.

C. Equipment

C.1. General rules

Costs pertaining to the acquisition of equipment (based on depreciation of purchased assets, leasing or rental) are only eligible if they are essential to the implementation of the project. Equipment shall have the technical properties needed for the project and comply with applicable norms and standards.

Because of the principle that grants may not be awarded retrospectively, items purchased prior to the action, even if they are used for the purposes of the action, cannot be considered eligible direct costs of the action. (The use of existing equipment and the beneficiary's installations is partly covered via the indirect cost). In duly substantiated exceptional cases, it is acceptable that equipment can be purchased before the action starts, but at all events after the grant application has been submitted.

The choice between leasing, rental or purchase must always be based on the least expensive option. However, if leasing or renting are not possible, purchase is accepted and the costs related to depreciation, as described below, may be eligible on the basis of national depreciation rules.

Please note that the authorised overheads (see point 2 below, under eligible indirect costs) includes the depreciation of immovable property. Rental costs of the administrative office of the beneficiary or the partners are not eligible as direct costs.

C.2. Renting and leasing

Expenditure in relation to renting and leasing operations is eligible for co-financing subject to the rules established in the Member State, national legislation and practice and the duration of the rental or lease for the purpose of the project.

C.3. Purchasing

Where equipment is purchased before or during the lifetime of the project, only the portion of equipment depreciation corresponding to the duration of use for the project and the rate of actual use for the project is eligible.

Purchase costs of equipment shall correspond to normal market costs and the value of the items concerned is written off in accordance with the tax and accounting rules applicable to the beneficiary.

The equipment purchased must be itemised in the organisation in which it is installed and bear an inventory number.

D. Conferences and seminars

All costs related to seminars and conferences must be included under this budget heading regardless of their nature (travel, subsistence, translation and interpretation costs, printing, photocopying, consumable and supplies, etc.).

A detailed breakdown for such costs must be provided.

If meals or others expenses are provided for, the daily allowance has to be reduced accordingly.

E. Other direct costs

Costs charged to this heading must therefore meet the following criteria:

1. They must not be covered by any other budget heading;
2. They must be necessary for the proper performance of the work;
3. They must not involve any fundamental change in the scope and content of the work;
4. They must be eligible under the agreement;
5. They must be clearly identifiable.

Typical expenses under this heading include:

- charges for financial services in specific contexts (charges for bank transactions, the risk of exchange losses is excluded);
- costs of services relating to eligible costs;
- other costs stemming from obligations under the grant agreement (reports, translations[1], certificates, deposits, bank guarantee, etc.);
- external audits or evaluation of the project, if requested by the EC.

The costs of external contracting (research, technical feasibility, costs supporting the activity) are to be indicated here.

Publications and dissemination

In order to be eligible for Community funding, publications must be produced by and for the use of the project. The type of publication, number of pages, number of copies, translations must be clearly indicated in order to justify the costs of editing and printing.

Consumables and supplies

The costs of consumables and supplies are eligible, provided that they are identifiable and assigned to the action. Consumables and supplies are real costs strictly related to the activities of the project.

Costs such as office supplies as well as all kinds of small administrative consumables (pens, paper, folders, ink cartridges, diskettes, computer software, etc.), supplies, hospitality costs and general services (electricity supply, telephone and postal services, Internet connection time, office cleaning, utilities, insurance, staff training, recruitment, etc.) are to be considered as indirect costs (see point G Overheads, below).

Consumable and supplies related to conferences and seminars must not be included under this heading, they have to be accounted for under the specific “Conferences and Seminars” heading (see letter D above).

Other additional costs not falling into any of the above categories may be claimed under the Grant agreement, with the consent of the Commission, provided they are considered necessary for the proper performance of the work specified in this agreement.

Sub contracting:
As a general rule beneficiaries and partners must have the capacity to carry out the work themselves. Subcontracting is a derogation to this general rule and is limited to specific cases:
- subcontracts may relate only to a limited part of the project ;
- core elements of the project can not be subcontracted;
- recourse to the award of contracts must be justified having regard to the nature of the action and what is necessary for its implementation;
- any recourse to award of contracts while the action is under way, if not provided for in the initial grant application, shall be subject to prior written authorisation by the Commission;
- even though certain services may be performed by a sub contractor, the beneficiary or its partners maintain full responsibility for carrying out the project, retains the intellectual

[1] Except for translations/interpretation related to conferences and seminars (budget heading D) or to other direct costs (budget heading E).

property generated, if any, and ensure that certain of provisions of the model grant agreement are reflected in the contract with the subcontractor.

The subcontractor must be legal entity. There shall be no statutory link between the subcontractor and the beneficiary or its partners or members of their staff, situation which could lead to conflicts of interest and circumvention of the principle of non-profit. In the latter case, Commission shall be informed and give its prior approbation. When the applicant or any partners choose a sub contractor, procurement rules must be applied (see article II.9. of the grant agreement). The applicant must ensure a fair and transparent procedure and keep evidences of the procedure. The contract shall be awarded to the bid offering best value for money.

2. Eligible Indirect Costs (overheads)

Unlike direct costs, indirect costs (Overheads) relate to categories of expenditure that are not identifiable as specific costs directly linked to and necessary for carrying out the action. If provision is made in Article I.4.2 of the Grant Agreement for flat rate funding in respect of indirect costs, they need not be supported by accounting documents.

Overheads include in particular the following positions: administration and management expenses, depreciation (according to the calculation methods of the national legislation of the beneficiary) of buildings and equipment, rents, maintenance costs, telecommunication, connection costs and postage, heating, water supply, electricity or other forms of energy, office furniture, office stationary, insurance and safety costs, common office equipment such as PC's, laptops, office software.

The global amount for overheads must not exceed 7% of the total eligible direct costs. The Commission reserves its right to reduce the rate of overheads depending on the nature of the applicants and on the nature of the costs planned for the project in particular when staff costs include costs of civil servants or represent a minority share of the total costs.

Organisations receiving an operating grant from the EU budget can not include indirect costs in their forward budget.

The percentage of European Community funding mentioned in the Grant Agreement is calculated on the total eligible costs [H = direct costs (F) + Overheads (G)].

II.4.C. Contribution in Kind

Contributions in kind shall not constitute eligible costs used for the calculation of the EC grant.
In the case of contributions in kind, a financial value shall be placed on the income part of the budget and the same amount will be included among the costs of the project (as ineligible cost) [**I contribution in kind]** and in receipts from the action [**R Contribution in kind].**

Contributions in kind are non cash inputs which do not constitute eligible costs, for instance:

- A local community “loans” a school for a seminar;
- A government agency donates paper to print books;
- A consultant donates “his time” to a project.

Contributions in kind will be taken into account by the Commission when assessing the "cost-efficiency" of the project.

II.4.D. Non-eligible costs

The following costs shall not be considered eligible:

- Return on capital;
- Debt and debt service charges;
- Provisions for losses or potential future liabilities;
- Other interest owed;
- Doubtful debts;
- Exchange losses;
- VAT, unless the beneficiary can show that he is unable to recover it;
- Costs declared by the beneficiary in connection with another action or work programme receiving a Community grant;
- Excessive or reckless expenditure;
- Contribution in kind.

II.5. INCOME OF THE ACTION

Total income must be identical to total expenditure.
The budget form will indicate the grant you are seeking from the Commission (not above 90% of the total eligible costs of the project) as one of your sources of income.

The applicant is reminded that the partners and third parties must guarantee co-financing in cash of the remaining 10%. Please give in your provisional budget a detailed breakdown and description of all contributions in cash. Signed declarations of commitment must be provided stating the amount of each contribution in cash as mentioned in the income table of your estimated budget. Please use the relevant Declaration form provided for in this guide.

II.6. EVALUATION AND SELECTION OF PROJECTS

II.6.A. General Principles

Proposals must comply with the following principles:

- Co-financing rule: external co-financing from a source other than EU funds is required, either from the beneficiary and/or from partners' own resources or financial resources from third parties.
- Non-profit rule: the project may not have the purpose or effect of producing a profit for the beneficiary or partners.
- Non-retroactivity rule: expenditure eligible for financing must be incurred after the starting date stipulated in the grant agreement.
- Non-cumulative rule: only one single grant may be awarded for a specific action carried out by a given beneficiary.

All applications will be evaluated and assessed by an evaluation committee set up for that purpose by the concerned department.
The assessment of each proposal will be based on the information provided by the applicants in the proposal submitted in reply to this call for proposals. In addition, the Commission reserves the right to use any other information from public or specialist sources.

All the proposals will be assessed in light of the exclusion, eligibility, selection and award criteria indicated in the Call for proposals. The exclusion, eligibility, selection and award criteria procedure consists of successive stages. Only the proposals meeting the requirements of one stage of the assessment will pass on to the next.

At the end of this evaluation, the evaluation committee draws up a list of proposals, which may be financed, in order of merit, indicating the proposed amount to be financed by Community Funds.

The conclusion of the evaluation committee is proposed to the authorising officer.

The evaluation committee can also decide to draw up a reserve list of projects to be co-funded in case additional funds become available for the Programme or in case applicants withdraw their (selected) project.

II.6.B. Exclusion and eligibility criteria

(a) A proposal will be excluded if the applicant is in any of the situations mentioned under point 6 of the 2009 Call for proposals. If one of the partners is in such a situation, the proposal will not be excluded provided that the project will be implemented without the participation of this partner.

(b) In order to be eligible, proposals must meet all the requirements mentioned under point 7 of the 2009 Call for proposals.

II.6.C. Selection criteria

Please refer to the point 8 of the Call for proposals.

II.6.D. Award criteria

Please refer to the point 9 of the Call for proposals.

II.6.E. Decision of the Contracting Authority

On the basis of the list of merit drawn up by the evaluation committee, the authorising officer adopts the final list and allocates the grants.
All the applicants will be informed in writing of the Authority's decision concerning their application.
Please note that the Commission reserves the right to award a grant lower than the amount requested by the applicant.
Grants will not be awarded for an amount higher than the amount requested in the proposal.

II.6.F. Revised Budget estimated

The Commission services may invite applicants to provide a revised budget to ensure compliance with the rules on eligible costs or where the granted amount is different from the amount requested in the application.
The Commission reserves the right to reduce the grant requested if the activities are acceptable but considered too expensive, and to reduce individual unit costs if they are judged to be too high.
It is important to note that the EC contribution detailed in the grant agreement represents the **maximum amount** allocated for the grant project. It is calculated as a **percentage** of the total eligible cost of the project. This same **percentage** will be used when calculating the real grant to be paid. If the final expenditure turns out to be lower than the expenditure budgeted for, the Commission's contribution will be calculated on the basis of the percentage indicated in the agreement. If the final expenditure turns out to be higher than the expenditure budgeted, the actual grant can not be increased, and will be limited to the maximum amount mentioned in the agreement.

II.6.G. Signature of the Grant Agreement.

Once the Commission services have approved all the elements of the project (the contents of the project and the budget estimate), a Grant Agreement for the co-financing of the selected project will be issued and sent to the beneficiary (in 2 copies). The beneficiary must return both originals of this agreement, initialled, signed and dated by the person responsible. It is recommended to dispatch these documents by registered mail. The Commission services will then countersign both originals of this agreement and will return one signed and dated to the beneficiary.

Please note that the signed agreement must be returned to the Commission **within two weeks of receipt.** If the agreement is not returned within this time limit, the Commission reserves the right to consider that the beneficiary renounces the grant.

Candidates submitting a grant application to the Commission services should analyse the standard grant agreement so as to be fully aware of the conditions they are required to accept.
The standard grant agreement and related documents can be obtained from:
http://ec.europa.eu/justice_home/funding/refugee/funding_refugee_en.htm