



GUIDE FOR APPLICANTS

CIPS/ISEC 2012

**"PREVENTION, PREPAREDNESS AND CONSEQUENCE
MANAGEMENT OF TERRORISM AND OTHER SECURITY-
RELATED RISKS" (CIPS)**

and

"PREVENTION OF AND FIGHT AGAINST CRIME" (ISEC)

DISCLAIMER

These guidelines aim at providing assistance to Applicants. In case of discrepancy between the provisions of this text and those of the 2012 CIPS/ISEC Annual Work Programmes and 2012 CIPS/ISEC Calls for Proposals, and the Grant Agreement, it is the three last-named documents that Applicants/Beneficiaries should follow. Neither the European Commission nor any person acting on its behalf can be held responsible for the use made of these guidelines.



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1. INTRODUCTION

1.1. Background

On 12 February 2007 the Council of the European Union adopted the legal basis for both Programmes: Decision 2007/124/EC, Euratom¹, establishing the Specific Programme "**Prevention, Preparedness and Consequence Management of Terrorism and other Security-related Risks**" (**CIPS Programme**) and Decision 2007/125/JHA² establishing the Specific Programme "**Prevention of and Fight against Crime**" (**ISEC Programme**) for the period 2007 to 2013 as part of the General Programme on Security and Safeguarding Liberties.

Both **Programmes** are implemented via an Annual Work Programme (hereinafter referred to as the **AWP**) adopted each year by the European Commission (hereinafter referred to as the **Commission**). The AWP describes the priorities set for that particular year and contains details of the financial appropriations earmarked for the various grant schemes. These grant schemes are implemented through Calls for Proposals (hereinafter referred to as the **CFPs**). The AWP and CFPs are always published on the websites of the CIPS/ISEC Programmes.

1.2. Who manages the Programmes?

The Programmes are implemented by the Commission, Directorate-General for Home Affairs (DG HOME) based in Brussels – Belgium. The operational tasks related to the implementation of the Programme are assigned to: DG HOME, Directorate A – Internal Security, Unit A4 - Financial Support.

The postal address of the Programme is:

European Commission
 Directorate-General for Home Affairs
 Directorate A – Internal Security
 Unit A4: Financial Support – Internal Security
 Office LX46 04/116
 B-1049 Brussels

The Programmes can be contacted via their functional mailboxes:

HOME-CIPS@ec.europa.eu
HOME-ISEC@ec.europa.eu

1.3. Websites of the Programmes

Information relating to the Programmes is published at the following addresses:

http://ec.europa.eu/home-affairs/funding/cips/funding_cips_en.htm
http://ec.europa.eu/home-affairs/funding/isec/funding_isec_en.htm

In addition to this Guide, it is strongly recommended that interested organisations consult the website of the Programmes regularly.

1.4. Purpose of this Guide

The purpose of this Guide is to assist all those interested in developing projects (Action Grants) within the CIPS/ISEC Programmes. This Guide should also provide operational, administrative and financial management guidelines to Applicants/Beneficiaries whose projects have been awarded a grant.

¹Official Journal L 58 of 24.02.2007, p.1, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:058:0001:0006:EN:PDF>

²Official Journal L 58 of 24.2.2007, p.7, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:058:0007:0012:EN:PDF>

The content of this Guide is based on the grants section of the Financial Regulation of the European Communities (hereinafter referred to as **Financial Regulation, FR**)³ and on its Rules for Implementation (hereinafter referred to as **Implementing Rules, IR**)⁴, as well as on other relevant documents.

In relation to the Grant Agreement, the Guide shall be used for supplementary purposes together with the specific Call for Proposals.

1.5. How to use this Guide?

Before you start, please read the 2012 CIPS/ISEC AWP and CFPs carefully to find out which actions may be funded, the priorities set out for 2012, the conditions under which you can apply and the exclusion, eligibility, selection and award criteria. **Each CFP contains specific information on how to submit your proposal.**

The structure of this Guide reflects the various stages in the life cycle of the proposal:

Preparation and selection

- Preparation and submission of the proposal
- Selection, evaluation and award procedures
- Preparation of the Grant Agreement and its annexes.

Implementation

- Request for amendments in the project and/or its budget
- Evaluation of the Final report and determination of the final grant amount
- Evaluation and dissemination of results.

This Guide is updated annually to make it as user-friendly as possible. However, the European Commission reserves the right to publish modifications to the Guide not later than 11 calendar days prior to the deadline for submission. The modifications are published on the same webpage as this Guide.

You are welcome to share your comments and suggestions on how to further improve the Guide with the European Commission by sending an e-mail to HOME-CIPS@ec.europa.eu or HOME-ISEC@ec.europa.eu.

Please indicate "Guide for Applicants CIPS/ISEC 2012" in the title of your email.

WHEN PREPARING YOUR APPLICATION, YOU ARE STRONGLY ENCOURAGED TO FOLLOW THE DETAILED SPECIFIC GUIDELINES GIVEN IN SECTION 4 OF THIS GUIDE

³ Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities (Official Journal L 248, 16.9.2002) as last amended by Council Regulation (EC, Euratom) No 1525/2007 (Official Journal L 343, 27.12.2007, p.9), http://ec.europa.eu/budget/documents/financial_regulation_en.htm#table-1_1

⁴ Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation (IR) of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities (Official Journal L 357, 31/12/2002) as last amended by Commission Regulation (EC, Euratom) No 478/2007 of 23 April 2007 (Official Journal L 111, 28.4.2007, p.13), http://ec.europa.eu/budget/documents/financial_regulation_en.htm#table-1_1

2. DEFINITION OF FREQUENTLY USED TERMS AND ABBREVIATIONS

Applicant organisation/coordinator: any body or organisation with legal personality submitting a proposal for a project within the scope of the CIPS/ISEC Programmes. The Applicant organisation (**Applicant**) becomes the **Beneficiary/coordinator (Coordinator)** once the proposal is awarded a grant and a written Grant Agreement is signed on behalf and with the authorisation of the entire partnership. The Applicant is responsible for the project conception and development. It takes the lead and submits the grant application for the Commission's appraisal (including the Budget Form and all Annexes). It is responsible for the verification of the eligibility and selection criteria for all its Co-beneficiaries and Associate Partners. Moreover, if awarded a grant and once a Grant Agreement is signed, the Applicant organisation/coordinator will be legally responsible for the overall management of the project, coordination of tasks, liaison with the Commission, management of the budget and final statements, as well as payments to its Partners. The Applicant organisation/coordinator will be the only point of contact for the Commission and will be responsible for all the communication between the Commission and Partners.

Associate Partners: organisations that may participate in a CIPS/ISEC project on a non EU-funded basis. They will not sign a mandate and will not be co-beneficiaries of the EU grant. None of their costs incurred for the project activities will receive EU co-financing. This type of partnership is first and foremost to be used by entities established in third countries (including acceding and candidate countries), international organisations and EU Agencies, which may only participate on a non-cost basis to the CIPS/ISEC programmes. An Associate Partner may also be any organisation that undertakes or participates in activities directly linked to a CIPS/ISEC project without requesting any EU co-financing. Associate Partners will sign the Associate Partnership Declaration Form to be attached to the application package, but will not be a party to the Grant Agreement concluded with the European Commission. As such, their obligations towards the Commission are not of a contractual nature. Nevertheless, the Applicant organisation/coordinator and the Co-beneficiaries shall ensure that the activities of Associate Partners are adequately implemented, since their involvement forms a part of the proposal, as well as of the Grant Agreement (Annexes I and II) if a grant is awarded. For specificities under Framework Partners, refer to the definition of Framework Partners.

Authorising Officer (AO)/by Delegation (AOD)/by Sub-delegation (AOSD): the term 'authorising officer' refers to the entity responsible for the overall implementation of an EU financial programme. The authorising officer by delegation of the CIPS/ISEC Programmes is the Director General of DG HOME. The authorising officer by sub-delegation is the Director of Directorate A – Internal Security, implementing the CIPS/ISEC Programmes.

Bank Account File (BAF): is a descriptive file containing bank details for all companies, organisations and individuals with which the Commission has financial dealings. Use of the BAF is mandatory for the purposes of making automated payments. In order to create a BAF, the Applicant organisation/coordinator has to submit a duly completed and signed **Financial Identification Form**. More information on BAF is available on the website of Directorate-General Budget:

http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm

Beneficiaries: any body or organisation with legal personality established in a Member State of the EU receiving co-financing of its costs under a Grant Agreement. The Applicant and Partner organisations are collectively referred to as Beneficiaries once the Grant Agreement is signed. The Applicant organisation is called **Coordinator**, whereas a Partner organisation receiving a share of the EU grant is referred to as **Co-beneficiary**.

For specificities under Framework Partners, refer to the definition of Framework Partners.

Budgetary Authority: The Council and the European Parliament.

Call for Proposals (CFP): in order to receive applications, the European Commission publishes Calls for Proposals which describe the rules and conditions to be observed by Applicants when seeking EU co-financing for an action. CFPs can take the form of General and Targeted Calls for Action Grants.

Candidate Countries: candidate countries to the European Union. Further information is available on the website of Directorate-General Enlargement: http://ec.europa.eu/enlargement/candidate-countries/index_en.htm. Entities from third countries can only be Associate Partners (with no EU co-financing) under the CIPS/ISEC Programmes.

Co-financing third parties: any donor organisation financing the project and not in receipt of the EU contribution. Co-financing third parties are not required to be directly involved in the technical implementation of the project; their contribution is solely financial. Any co-financing third party will sign the Declaration of co-financing (and indicate the amount of its financial contribution) to be attached to the application package.

Co-beneficiary (or Partner): any organisation participating in the implementation of the project activities eligible for EU co-financing and declaring costs to be EU co-financed. To prove its involvement in the project, the Co-beneficiary has to sign a Partnership Declaration/Draft Mandate Form. This Form must be attached to the application package. If the proposal is awarded and a Grant Agreement is signed, it will be considered as a Co-beneficiary of the EU grant as it will receive co-financing for its part in the project. The Coordinator will receive funds from the Commission and will distribute them amongst the Co-beneficiaries of the EU grant. Costs incurred by a Co-beneficiary are eligible in the same way as those incurred by the Coordinator.

Both the Applicant organisation/coordinator and the Co-beneficiaries form parties to the multi-beneficiary Grant Agreement and share contractual and financial responsibility towards the Commission for the proper and timely implementation of the project. Notwithstanding this, the Applicant organisation/coordinator remains the sole point of contact for the Commission and, as stated above, is responsible for the reporting and for providing the necessary information regarding the project.

The shared contractual and financial responsibility for the project also means that the organisations will have to agree on the contractual relation among themselves. This is usually done in the form of a Partnership/consortium agreement for a specific project. The Commission does not intervene in the content of this agreement between Partners and respects different management styles of organisations as long as the provisions are not discriminatory and comply with national legal requirements. It must be noted that in case of discrepancy, the provisions of the Grant Agreement take precedence over any other agreement between the Co-beneficiaries and the Coordinator.

Dependent entities: Two organisations (legal entities) are dependent on each other when there is a controlling relationship between them. In order to be regarded as independent, a legal entity must not be in a controlling relationship with another legal entity. A controlling relationship shall exist where one legal entity directly or indirectly controls the other, or when one legal entity is under the same direct or indirect control as the other.

Legal entity A controls legal entity B if:

- A, directly or indirectly, holds more than 50% of the share capital or a majority of voting rights of the shareholders or associates of B,

or

- A, directly or indirectly, holds in fact or in law the decision-making power in B.

Ownership or supervision of legal entities by the same public body shall not in itself give rise to a controlling relationship between them.

DG HOME: the abbreviation used to identify the Directorate-General for Home Affairs of the European Commission.

Framework Partners (ISEC): following the Call for Framework Partners published in October 2011, the Commission has selected 54 organisations which were offered the status of Framework Partners (FPs). The aim of a framework partnership is to establish a long-lasting cooperation between the Commission and FPs.

The Commission organises every year Calls for Proposals restricted to ISEC Framework Partners. The rules applied for these Calls are slightly different from those applied to other CIPS/ISEC CFPs. The main differences are summed up in the table below:

General Call and Targeted Call for Action Grants	Framework partnerships
Co-financing rate – 90%	Co-financing rate – up to 95% (subject to approval by the Commission of justification provided by the Applicant)
Any entity can apply	Only Framework Partners can apply
Sub-contracting – up to max 30% of the total eligible project costs	Sub-contracting – more than 30% of the total eligible project costs (subject to approval by the Commission of justification provided by

	the Applicant)
Evidence of legal status, report or description of the activities, organisation's annual activity programme, signed financial statements, forward budget must be submitted	None of these documents must be submitted
Multi-beneficiary Grant Agreement	Mono-beneficiary Grant Agreement (model attached to the framework partnership agreement)
Costs incurred by a Co-beneficiary are eligible in the same way as those incurred by the Coordinator	All costs are declared by the Coordinator. Partners' costs are eligible only if they are re-invoiced to the Coordinator and appear in its accounts
Transnational and national projects are eligible	Only transnational projects are eligible

Under Framework Partners there are no Co-beneficiaries or Associate Partners as such, but rather partner organisations which incur costs (which to be eligible must be re-invoiced to the Coordinator and appear in its accounts) and partner organisations which do not incur any costs. They also have to sign partnership declarations.

Footnotes inserted in the relevant parts of this Guide highlight the specific rules applied to FPs.

Legal Entity File (LEF): records all third parties with which the European Commission conducts revenue and expenditure transactions. No transaction may be made for the purposes of implementing the EU budget unless it involves a legal entity that has been validated beforehand. It follows that, before a bank account can be recorded in the BAF, a legal entity must be recorded in the LEF: the bank account will be linked to that legal entity. In order to create a LEF, the Applicant organisation/coordinator has to submit a duly completed and signed Legal Entities Form. Each Co-beneficiary must also attach a duly completed and signed Legal Entities Form to the application package. More information on LEF is available on the website of Directorate-General Budget:

http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm

Member State (MS): a member state of the European Union. Further information is available on the website of the European Commission: http://europa.eu/abc/european_countries/index_en.htm

National projects/national actions: projects/actions to be carried out within a single Member State. These must either:

- a) prepare transnational projects and/or Union actions ("starter measures");
- b) complement transnational projects and/or Union action ("complementary measures");
- c) contribute to developing innovative methods and/or technologies with a potential for transferability to actions at Union level, or develop such methods or technologies with a view to transferring them to other Member States.

Partnership Declaration/Draft Mandate Form (for Co-beneficiaries): a legally binding document duly signed and dated by the Authorised Signatory of the Co-beneficiary authorised to enter into legal and financial commitment on behalf of the Co-beneficiary.

Partnership Declaration Form (for Associate Partners) : a legally binding document duly signed and dated by the Authorised Signatory of the Associate organisation which shall not receive any EU-cofinancing.

PRIAMOS: PRogramme Information and Activity Management Operational System, the electronic information system used for the direct management of grant schemes by DG HOME.

Public/Private – Profit/Non-profit organisation: for the purposes of these Programmes the following entities are considered to be public non-profit making "state organisations" (hereinafter referred to as **public entities**): Member States' authorities (local, regional, national or federal), ministries, local municipalities and public universities. Other entities other than NGOs shall be treated as private and profit-making, regardless of whether they were constituted under private or public law.

Regarding the non-profit character of an entity, the absence of a lucrative aim does not necessarily imply the absence of profits and the commitment from an organisation to not redistribute profits to its shareholders is not a sufficient condition for the entity to be considered as "non-profit".

Transnational projects: Applicant organisation/coordinator must involve partners in at least two Member States, or at least one Member State and one candidate country. In a transnational project, the Applicant organisation/coordinator must have **at least one Co-beneficiary (declaring costs to be EU co-financed) from another EU Member State.**

N.B. Associate Partners are not Co-beneficiaries, therefore the participation of an Associate Partner from another EU Member State does not make the project "transnational".

In order for a project proposal to be eligible as transnational, **the Partnership Declaration/Draft Mandate Form and Legal Entity Form (and its supporting documents) duly completed, dated and signed by the Authorised signatory for EACH Co-beneficiary from another EU Member State must be attached to the Application.**

Eligibility of transnational projects: partners and Co-beneficiaries

Applicant/coordinator	Partners	Partnership Declaration	Costs in Budget Form (Part B)	Eligibility of the project proposal
Public body / NGO	Co-beneficiary from another EU Member State	Partnership Declaration/Draft Mandate (Part F) attached	Indicated and separated per Co-beneficiary	Eligible as transnational
		Partnership Declaration/Draft Mandate (Part F) missing	Not indicated and not separated per Co-beneficiary	Not eligible
		Partnership Declaration/Draft Mandate (Part F) missing	-	
	Associate Partner only	Partnership Declaration (Part G) attached	No costs allowed	Eligible as national if indicated so in the Application Form
		Partnership Declaration (Part G) missing		Eligible as national if indicated so in the Application Form (partners not mandatory for national projects)
	Private (profit-making) body	Public body / NGO as a Co-beneficiary from another EU Member State	Partnership Declaration/Draft Mandate (Part F) attached	Indicated and separated per Co-beneficiary
Partnership Declaration/Draft Mandate (Part F) missing			Not indicated and not separated per Co-beneficiary	Not eligible
Partnership Declaration/Draft Mandate (Part F) missing			-	
Private (profit-making) body as a Co-beneficiary from another EU Member State		Partnership Declaration/Draft Mandate (Part F) attached	Indicated and separated per Co-beneficiary	
		Partnership Declaration/Draft Mandate (Part F) missing	Not indicated and not separated per Co-beneficiary	
Associate Partner only		Partnership declaration (Part G) attached	No costs allowed	
		Partnership declaration (Part G) missing		-

Subcontractor(s): providers of services to the Beneficiaries (Applicant organisation/coordinator and Co-beneficiaries) who fully fund (100%) their activity. As a basic requirement, Applicant organisation/coordinator and Co-beneficiaries 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 and efficient. **This has to be duly justified** in the Application Form (Section 2.2.11.2) and in any case **cannot exceed 30%**⁵ of the total eligible costs of the project. Subcontracting costs shall be clearly listed in the Budget Form submitted for the project, and under no circumstances are Applicant organisation/coordinator and/or Co-beneficiaries and/or Associate Partners allowed to be subcontractors. 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.

⁵ Except for PNR Targeted Call and Calls for Proposals restricted to FPs under ISEC

3. APPLICATION, EVALUATION AND AWARD PROCEDURES

3.1. General principles

Proposals must comply with the following principles:

1. Co-financing rule: external co-financing from a source other than EU funds is required, either from the Applicant and/or from Co-beneficiaries and/or Associate Partners own resources or financial resources from third parties (minimum 10% of the total eligible costs of the project).
2. Non-profit rule: the project may not have the purpose or effect of producing a profit for the Applicant organisation/coordinator, Co-beneficiaries, Associate Partners and third parties.
3. Non-retroactivity rule: expenditure eligible for co-financing must be incurred after the starting date stipulated in the Grant Agreement.
4. Non-cumulative rule: only one single grant may be awarded for a specific project carried out by a given beneficiary.
5. Sound financial management: economy, efficiency and effectiveness

The Commission will carry out the evaluation of all received proposals applying the principles of transparency, fair and equal treatment. It will communicate with and handle all Applicants without preferentiality.

The assessment of each proposal is based on the information provided by the Applicants in the proposal submitted in response to the CFP.

All the proposals are assessed in light of the exclusion, eligibility, selection and award criteria indicated in CIPS/ISEC 2012 Calls for Proposals (Section 5).

The eligibility, exclusion, selection and award criteria procedure is made up of successive stages. Only proposals meeting the requirements of one stage of the assessment will pass on to the next.

At the end of the evaluation, an Evaluation Committee draws up a list of the proposals which may be financed, in order of merit, indicating the proposed amount to be financed.

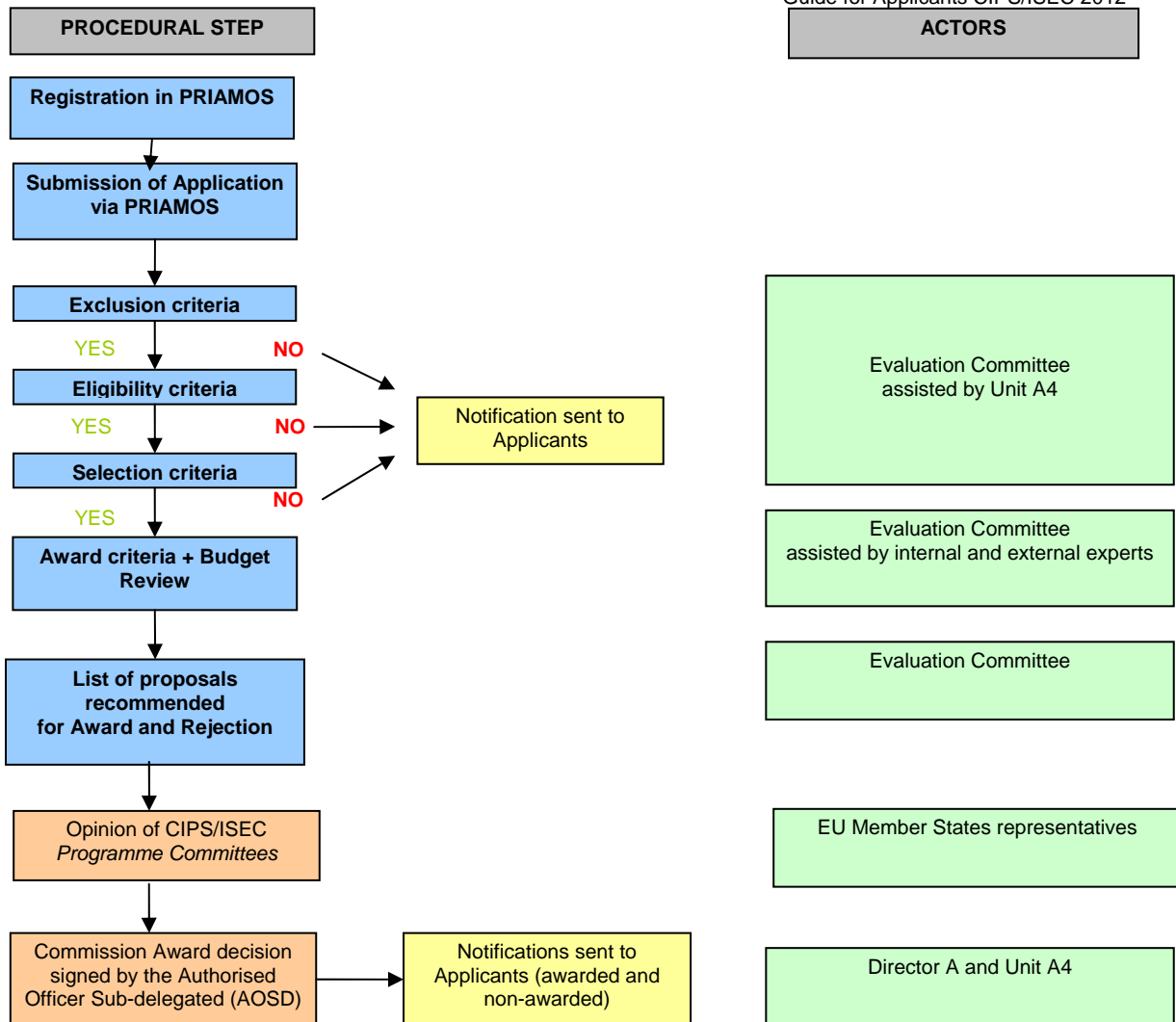
This list will then be submitted to Member States' representatives to the CIPS/ISEC Programme Committees for opinion.

Once the Committee has issued its opinion, the Authorising officer Sub-delegated (AOSD) will take the award decision.

Applicants shall be informed of the outcome of the evaluation within fifteen calendar days after the Commission award decision has been taken.

Awarded Applicants will then conclude a Grant Agreement with the European Commission.

The following figure illustrates the application and grant award procedure.



3.2. Registration and Submission of a proposal - PRIAMOS

The CIPS/ISEC Calls for proposals will be implemented via the electronic PRIAMOS system ONLY. For further detailed information on PRIAMOS, please read the PRIAMOS Guide for Applicants and Frequently Asked Questions (FAQ) available at:
http://ec.europa.eu/home-affairs/funding/docs/PRIAMOS_guide_for_applicants.pdf
http://ec.europa.eu/home-affairs/funding/docs/PRIAMOS_faq.pdf.

Please check and make sure that you upload all documents in the right format as indicated in the Checklist CIPS/ISEC 2012.

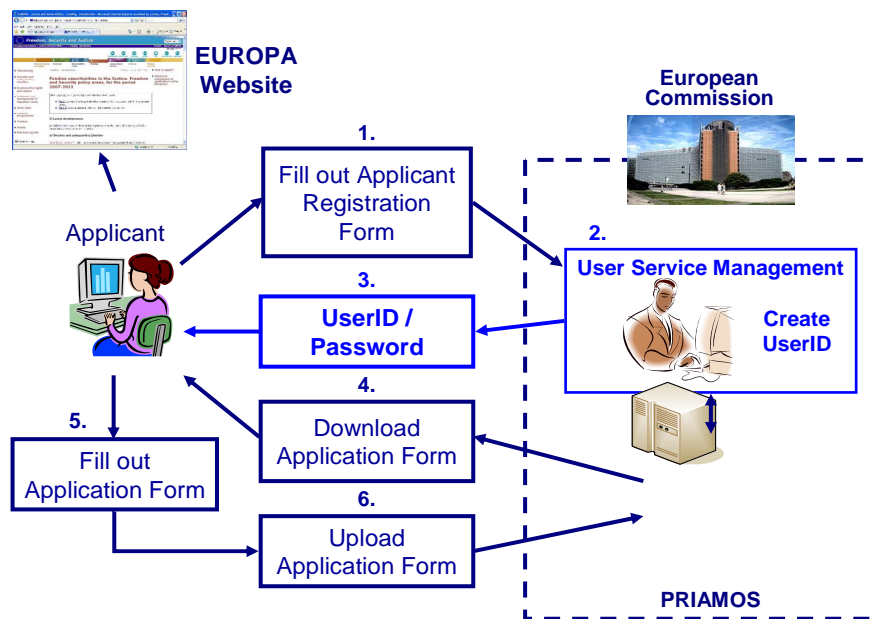
Applications must be submitted, in their entirety, via PRIAMOS. Applications submitted by any other method than the PRIAMOS system will be automatically rejected.

It is each Applicant's responsibility to upload its application before the deadline. Regarding the date of submission, **NO exception will be granted. In order to be eligible, applications must respect the deadline stated in the relevant CFP, even if the submission deadline falls on a non-working day in the country of the Applicant.** The PRIAMOS system will not accept any application after this deadline.

Please note that although the PRIAMOS system is able to deal with many applications at the same time, it is advisable NOT to wait until the last moment to register in the system and submit your application. Registration is not an automatic process and may take up to 15 working days. Heavy Internet traffic or a problem with the Internet connection could lead to your on-line session being interrupted before you complete your application, thereby obliging you to repeat the whole process and you may miss the deadline for submission.

Please note that PRIAMOS limits the size of the applications that can be uploaded to 100 MB.

PRIAMOS usage scheme:



Applicants must also make sure that **all electronic files are readable and are not corrupted** and that their applications are complete. In the case of multiple submissions (repeated submission of the same project proposal by the same Applicant organisation/coordinator), only the latest submission will be considered (and therefore must be complete, i.e. contain all the elements mentioned in the CIPS/ISEC 2012 Calls for Proposals and Checklist). Please print out a copy of your uploaded application. The Commission may request it.

3.2.1. Reference number of proposals

The reference number of a proposal (HOME/YYYY/CIPS/ISEC /AG/XXXXXXXXXXXX) typically consists of the following:

YYYY:	year of the CFP under which the application was submitted / registered
CIPS/ISEC:	programme identifier
AG:	action grant
XXX:	specific identification number given to the proposal

In all correspondence related to your proposal, always enter the reference number of the proposal in the subject field of letters/e-mails.

3.2.2. Modifying or withdrawing a proposal

Up until the deadline of the CFP, it is possible to modify a proposal simply by uploading a new complete version via PRIAMOS system. In that case, the version received previously will automatically be disregarded. The previous version will not be processed at all; therefore, the new version must include again all the supporting documents.

Once the deadline has passed, the Commission cannot accept further modifications, corrections or re-submissions. The last eligible version of the proposal received before the deadline is the one which will be evaluated.

Proposals may be withdrawn before and after the CFP's deadline. Please inform the Commission through the CIPS/ISEC functional mailboxes (HOME-ISEC@ec.europa.eu **only** for ISEC proposals or HOME-CIPS@ec.europa.eu **only** for CIPS proposals) if you wish to do so. In such a case, the Commission ends the evaluation of the proposal and acknowledges its withdrawal.

3.3. Exclusion criteria

The Applicant organisation/coordinator and partner organisations shall be excluded from participating to the CFP if they are in any of the situations mentioned under Section 5.1 of the CIPS/ISEC 2012 Calls for Proposals.

3.4. Eligibility criteria

In order to be eligible, grant applications must meet **ALL** the requirements listed under Section 5.2 of the CIPS/ISEC 2012 Calls for Proposals. If **ANY** of these eligibility criteria are not met, the application will **NOT** be eligible.

3.5. Selection criteria

In accordance with Articles 115 and 116(1) of the Financial Regulation and Article 176 of the Implementing Rules, grant applications shall be assessed against the selection criteria listed in Section 5.3 of the CIPS/ISEC 2012 Calls for Proposals, and on the basis of the supporting documents requested under Section 6.2 of the CFP.

The Applicant organisation/coordinator and Partner organisations shall demonstrate their **operational and professional** competencies. They must have the operational (technical and managerial) capacity to complete the project to be EU co-financed. In particular, the team responsible for the project must have appropriate professional qualifications and must have proven and documented experience in the relevant field.

Applicants must also demonstrate their **financial capacity**, i.e. stable and sufficient sources of funding to maintain their activity throughout the period during which the project is being carried out and to participate in its funding.

3.6. Award criteria

Only proposals which meet the requirements of the exclusion, eligibility and selection criteria mentioned above will be assessed against the award criteria listed in Section 5.4 of the CIPS/ISEC 2012 Calls for Proposals and in the 2012 CIPS/ISEC Annual Work Programmes. The evaluation for award will cover **both the content/policy part and the budgeting and project management part**. Since no further budget review will take place after the award decision, **proposals with low quality budgeting and project management will be scored lower**.

Therefore, a grant application must be clear, coherent, realistic and feasible in terms of activities, timetable, results, budget and value for money. There must also be a clear link established in the grant application between the project objectives, the proposed activities, their expected results and the estimated costs. Finally, Forecast Budgets (Sheet 3 of the Budget Form – Part B) must be sound and reliable, as well as reflect real, reasonable and justifiable costs.

3.7. Award decision

On the basis of the list of merit drawn up by the Evaluation Committee and after the opinion of the CIPS/ISEC Programme Committees, the Authorising Officer Sub-delegated adopts the final list of awarded/rejected proposals and allocates the grants. All Applicants will be informed in writing of the decision concerning their application and they have the right to ask for further information.

The award decision shall set the maximum amount of funding which can be awarded for each project and also fix the percentage of the contribution of the EU co-financing to the total eligible cost of the project. **The award decision does not represent a legal or budgetary commitment on behalf of the Commission.**

Grants will not be awarded for an amount higher than the amount requested in the proposal.

The Commission **reserves the right:**

- to award a grant lower than the amount applied for by the Applicant organisation/coordinator,

- to decrease the value of some expenditure in the Forecast Budget, if they are deemed as exaggerated or higher than their market value, and
- to remove expenditure from the Forecast Budget, if they are deemed unnecessary or do not explicitly relate to the project.

There will not be any further budget review after the Commission award decision

3.8. Conclusion of the Grant Agreement

After the award decision has been taken, the Commission will prepare the Grant Agreement which is the legally binding document establishing the rights and obligations of the parties and specifies the maximum financial resources which will be allocated for the project. As mentioned above, there will be **no further budget review after the Commission award decision**. Forecast Budgets (Sheet 3 of the Budget Form – Part B) must thus be sound and reliable, as well as reflect real, reasonable and justifiable costs.

The Grant Agreement shall specify:

- the **maximum amount of the grant**,
- the **eligibility period of costs**,
- the **reporting obligations**,
- the **percentage (%) of EU co-financing**, and
- the **name of all the beneficiaries and the costs associated to them**.

If the final expenditure turns out to be lower than the forecasted budget, the Commission's contribution will be calculated on the basis of the percentage set out in the Grant Agreement. If the final expenditure turns out to be higher than the expenditure budgeted, the awarded grant cannot be increased, and will be limited to the maximum amount in Euros mentioned in the Grant Agreement.

The Grant Agreement is issued and sent to the Coordinator in duplicate. The Coordinator must return both originals of this agreement, dated and signed by the legal representative and initial each page of the two originals of the Grant Agreement and of its Annexes I, II, III, IV, V and VI (including a Mandate signed by each Co-beneficiary).

No modification is allowed to the text of the Grant Agreement sent to the Coordinator for signature. The agreement must be signed by the **Authorised signatory** of the Coordinator whose name appears in the document. It is recommended to send these documents by registered mail. The Commission services will then countersign both originals of the Grant Agreement and return one original to the Coordinator.

The signed agreements must be returned to the Commission within the deadline specified in the covering letter. If the Grant Agreement is not returned within this time limit, the Commission reserves the right to consider that the Coordinator renounces the grant.

Applicants are advised to analyse the draft Model Grant Agreement published together with the CFP in order to familiarise themselves with the terms of the Grant Agreement and entailed obligations.

3.9. Payment of the Grant

Payment of the awarded grant amount to the Coordinator will normally be made in two instalments:

- A pre-financing payment, usually **80%, within 45 days** from the date of the signature of the Grant Agreement by the latter of the two parties;
- **The payment of the balance** after receipt of a formal request within 90 days of submission subject to the approval of the final reporting documents. A full list of the documents to be submitted is given in **Annex IV** of the draft Model Grant Agreement.

In certain cases, the Commission may require the Coordinator to lodge a bank guarantee in advance to limit the financial risks connected with the payment of the pre-financing.

4. APPLICATION PACKAGE

WHEN PREPARING YOUR APPLICATION, YOU ARE STRONGLY ENCOURAGED TO FOLLOW THE DETAILED SPECIFIC GUIDELINES GIVEN IN THIS SECTION

4.1. General Guidelines on how to set up a CIPS/ISEC project

- The first phase, prior to the formulation of the project, should consist of identifying the **problem to be solved** and **why** it is a problem and **who** it **affects**. A good definition of the problem and a clear understanding of what causes it are preconditions for setting objectives and identifying options to address the problem.

A good problem definition describes the nature of the problem in clear terms and supports it with clear evidence; it identifies clearly the underlying causes and describes how it has developed over time and how existing policies at Union or Member State level affect it.

- Once this is done, the **objectives** of the project must be defined. Objectives provide the only effective criteria for assessing the success or failure of the proposed problem solutions. Without clear objectives it is also impossible to monitor the implementation of the project and to evaluate whether it has produced the desired effects.

Your objectives and results should be directly related to the problem and its root causes.

They should be 'SMART':

Specific: objectives should be precise and concrete enough and be understood similarly by all.

Measurable: objectives should define a desired future state in measurable terms, so that it is possible to verify whether the objective has been achieved or not.

Achievable: if objectives and target levels are to influence behaviour, those who are responsible for them must be able to achieve them within the scope of the CIPS/ISEC Programmes.

Realistic: objectives and target levels should be ambitious – setting an objective that only reflects the current level of achievement is not useful – but they should also be realistic so that those responsible see them as meaningful.

Time-dependent: objectives and target levels remain vague if they are not related to a fixed date or time period.

- Closely connected are of course the **results of the projects** which are to be achieved in order to meet the objective. Results should be **tangible and measurable** and relevant for those concerned. Establish how the planned actions and expected results can be verified. This will make it possible to monitor the project.
- It is only at this stage that you should start to consider which **activities** are needed to obtain these results. Any activity that does not contribute directly to the objective must be discarded. Carefully plan **how** and by **whom** the project will be organised and find suitable project partners. Make sure the budget is consistent with the actions proposed and that human and financial resources will be available when needed.
- Useful lessons that could be passed on from other past projects should be identified. The experience of similar projects should be used during the preparation of the project.

4.2. Part A - Application Form

First of all, read carefully Section 6.2 of the 2012 CIPS/ISEC CFPs where all necessary documents are listed. All these documents are essential for allowing the assessment of your proposal against exclusion, eligibility, selection and award criteria.

The Application Form is only accepted for evaluation if:

- the specific Form (Part A) provided for the CIPS/ISEC 2012 Calls is used;
- all the sections are completed and all the pages are submitted regardless of their content. Since all the information requested in the Application Form is necessary for the evaluation of the proposal, Applicants must justify why a certain section is not applicable in their case.

The Application Form has been structured sequentially so that, when completed, it should contain all the information relevant to the evaluation of the proposal. When completing the Application Form, it is important to:

- be precise;
- provide detailed and clear information in each Section, while remaining concise (respect the maximum number characters foreseen for each Section) and do not resume your answers to referring to Annexed documents;
- concentrate on the key features, objectives and results of the project.

Please note that the Technical Annex (Part D) should be consistent with and complement the information in the Application and Budget Forms.

All documents requested in Section 6.2 of the CIPS/ISEC 2012 Calls for Proposals are compulsory, in order for the Commission to be able to assess applications against exclusion, eligibility, selection and award criteria. Applicants must use ALL the Forms specifically designed for the CIPS/ISEC 2012 Calls for Proposals. Applications submitted with the wrong Forms will be disqualified.

1. INFORMATION CONCERNING THE APPLICANT ORGANISATION/COORDINATOR

1.1 Identity of the Applicant organisation/coordinator

1.1.1 Full legal name of the Applicant organisation/coordinator (in original language)

1.1.2 Short name (where applicable)

1.1.3 Applicant organisation/coordinator's name in English

1.1.4. Legal Status

1.1.5 VAT number (if applicable)

1.1.6 Is your organisation of profit or non-profit making?

1.1.7 Is your organisation of public or private law?

1.1.8 Website⁶

Natural persons are not eligible for submitting grant applications under the CIPS/ISEC Programmes. Consequently, data entered in this field should refer to the Applicant organisation/coordinator and not to the Authorised Signatory or the contact person (natural persons). Please give the full legal **name of the Applicant organisation/coordinator**.

This information will be used when concluding the Grant Agreement and when verifying the eligibility of the Applicant organisation/coordinator.

It is therefore very important to provide the same name as in the official document describing the legal status of the Applicant organisation/coordinator. Only the names of organisations with legal personality must be indicated here. For example, an initiative or a network, which is run by the Applicant organisation/coordinator but has no legal personality, will be rejected. Indicate the legal form/status of your organisation and **provide evidence of its legal status** (Annexes 1 and 2).

Please indicate your VAT number (if applicable).

1.2 LEGAL REPRESENTATIVE of the Applicant organisation/coordinator - Authorised Signatory

Please provide the name of the person authorised to legally represent the Applicant organisation/coordinator for the purposes of this application (Authorised Signatory). This person should be authorised to enter into financially and legally binding commitments on behalf of the Applicant organisation/coordinator. Please note that the Commission may request a copy of the decision authorising the Authorised Signatory to enter into legally binding and financial commitments on behalf of the Applicant organisation/coordinator.

The person named here should be identical to the person signing the Declaration in Section 4 of the Application Form.

If the proposal is awarded a grant, the Commission services will automatically prepare the Grant Agreement for the signature of the person named under this section, unless otherwise notified.

Attention: Universities and University Departments/Research Institutes representing a University must submit a document as evidence that the person signing the Application and Budget Forms, and subsequently the Grant Agreement if the proposal is awarded a grant, is authorised to enter into financially and legally binding commitments on behalf of the University. In the case of doubts concerning

⁶ For FPs: sections 1.1.4 to 1.1.8 are replaced by section 1.1.4 Number of FP agreement.

the Authorised Signatory, the European Commission may request from any Applicant organisation/coordinator further documentation to prove that the person really is the legal representative.

1.3 CONTACT PERSON - person responsible for handling the application

1.4 CONTACT ADDRESS for the Commission – address for correspondence⁷

All communication related to the project will be sent to the person whose name appears in this section of the Application Form, and the contact details indicated here will be also entered in the Grant Agreement. Please note that the email address of the contact person cannot be a yahoo/gmail/hotmail registered email or any similar type of untraceable address.

Please take note that the Commission would appreciate that all communication between the Commission and the contact person can be carried out in English for the sake of efficiency.

The contact address may differ from the Official Address of the Applicant organisation/coordinator.

1.5.1 - 1.5.5 ADDITIONAL INFORMATION about the Applicant organisation/coordinator⁸

1.5.6 EU grants and procurement contracts obtained in 2009, 2010, 2011 and/or applications/bids submitted in 2012⁹

Please provide a brief and concise description of the basic information concerning the Applicant organisation/coordinator: objectives and regular activities, number of permanent staff, usual sources of finance, shareholders, organisational structure, etc.

The information provided here will be used when assessing the application against the eligibility, selection and award criteria. An organisation chart of the Applicant organisation/coordinator must also be submitted (Part I).

Please list the EU grants (both operating and/or action grants) and/or procurement contracts obtained in 2009, 2010 and 2011 where the organisation, either as Applicant or Partner, received co-financing from EU programmes/initiatives. Grant applications / procurement bids submitted in 2012 must also be listed.

The Applicant organisation/coordinator is required to inform without any delay DG HOME of any further application for funding made to other EU institutions or agencies, and/or of any funding approved by other EU institutions or agencies, after the submission.

To respect the principle of non cumulative grants for the same Applicant, the Commission will verify if financial support has already been obtained, in the last five years, for a project directly linked to this application, under the CIPS/ISEC Programmes or any other EU funding schemes.

2. INFORMATION ABOUT THE PROJECT FOR WHICH CIPS/ISEC FINANCIAL ASSISTANCE IS REQUESTED

2.1. GENERAL PROJECT INFORMATION

2.1.1. Project Title

2.1.1.1 Project Title in EN

2.1.2 Acronym/Short title

2.1.3 Duration

2.1.4 List of partners involved in this project

Please give the project a specific title in English that fully describes your action without being too long, and if possible create an acronym.

The duration of projects to be co-funded under CIPS/ISEC 2012 must not exceed 24 months. The total duration in months must be indicated.

Please list all the Partners¹⁰ (both Co-beneficiaries and Associate Partners) participating in the project and attach the original Partnership Declarations (Parts F and G) for each Partner. Partnership Declaration Forms are different for Co-beneficiaries and Associate Partners. Please make sure you use

⁷ Not applicable for FPs.

⁸ Not applicable for FPs.

⁹ Not applicable for FPs.

¹⁰ For FPs: complete this section taking into account the specificities mentioned above (pp.7-8)

the correct form. Please number the Declarations, keeping the same order as in the list in section 2.1.4. If there are more than 14 Co-beneficiaries and more than 10 Associate Partners, please enter the words "*Further partners are listed under section 2.2.13*" in line 14 or line X respectively of the table of section 2.1.4; please also list these additional Partners under section 2.2.13 "Additional comments" of the Application Form.

Partner organisations which will not receive any part of the EU grant should be listed as Associate Partners.

CONFORMITY CRITERION

2.1.5 Specific objective(s) of the CIPS/ISEC Programmes covered by the project

2.1.6 Specific priority of the CIPS/ISEC Programmes covered by the project

2.1.7 Explain how the proposal corresponds to the selected priority

2.1.8 Type of activities

2.1.9 Characteristics of the project¹¹

Please read through the objectives and priorities of the 2012 AWP's of the CIPS/ISEC Programmes.

Under section 2.1.9, Applicants must state whether the project is national or transnational. The proposal will be considered on the basis of that choice and will be assessed against the relevant eligibility criteria. For example, if "*transnational*" is selected, the eligibility criteria concerning the minimum number of transnational Co-beneficiaries will be assessed; if "*national*" is selected, Applicants must provide an explanation of how the project meets one of the conditions listed in the CFP, section 5.2.d.

2.1.10 Summary of the project¹²

The summary must provide the reader with a clear understanding of the proposal's aims and objectives, its compliance with the objectives of the CIPS/ISEC Programmes, as well as all the activities to be carried out to achieve those objectives. It should also provide information on the target groups and beneficiaries of these activities, the methodology, the expected outputs and deliverables, the dissemination strategy, etc. This section will be your project's "business card" and will be used for publication/dissemination purposes, if your project is awarded a grant.

2.1.11 Experience of the Applicant organisation in the selected CIPS/ISEC priority¹³

2.1.12 Other projects directly linked to the proposal¹⁴

Please demonstrate previous experience in the chosen CIPS/ISEC priority area and give actual examples by providing a brief description of three previous projects that your organisation has carried out successfully.

2.2 CONTENT OF THE PROJECT

2.2.1 What specific issue/question does your project address?

The aim of the project must be to resolve or mitigate a specific problem. Present the problem clearly, and explain why it is a priority at EU level and give a brief account of the background and the main ideas that led you to propose this project.

Applicants are requested to focus on clear targets. General statements of policy or overarching objectives must be avoided.

2.2.2 Objectives of the project

The general objective gives a broad indication of the project's long-term benefit and results. It has to correlate with the specific objectives of the project.

¹¹ For FPs: sections 2.1.6 to 2.1.9 are replaced by 2.1.6 Target groups of the project; 2.1.7 ISEC priority addressed by the project; and 2.1.8 Explain how the project proposal contributes to the objectives of the ISEC programme and corresponds to the selected priority

¹² For FPs: section 2.1.9.

¹³ For FPs: section 2.1.10.

¹⁴ For FPs: section 2.1.11.

A specific objective is a concrete statement describing what the project is trying to achieve in order to reach its general objective. It must be specific, measurable, acceptable for the target group, realistic and time-bound. Please remember that evaluators will assess the probability of the specific objectives being achieved by the end of your project.

2.2.3 Participants

Please describe who will participate in your project's activities. Participants in the project include target groups and beneficiaries. Target groups refer to the persons whom you intend to reach directly with your proposal. Beneficiaries refer to the persons that will benefit from these activities in the long term. Please provide an estimate of how many persons are likely to participate in the activities, indicating first the target group they belong to (in section 2.2.3.1) and, secondly, the participant's country of origin (in section 2.2.3.2). For example, the estimated total number of participants is 100: 50 from law enforcement, 50 other public officials; 25 participants from AT, 25 participants from BE, 25 participants from BG and 25 participants from CY – $50*2=100$, $25*4=100$).

IMPACT CRITERION

2.2.4 What are the expected results, outputs and deliverables?

Please present the expected concrete outputs and deliverables by using a quantitative description where appropriate, e.g. 5 international meetings with 40 participants each, 5 network meetings, 150 hours of training for public officials, 5 training manuals, 3 research reports, 2 action plans, etc.

2.2.5 What is the expected impact on the CIPS/ISEC Programmes' objectives and target groups?

2.2.6 Based on which indicators do you intend to evaluate the implementation of your activities?

2.2.7.1 Why is the CIPS/ISEC support needed to achieve the proposed results?

2.2.7.2 Sustainability of the project

Please describe under these sections the expected impact of the project and its activities in as much detail as possible. In particular, demonstrate the impact of the activities on the target groups and beneficiaries which the project is supposed to address.

Please give details of both the internal and external evaluation. Please explain who/which organisation will perform evaluation of the project and describe the scope of the work to be performed by the evaluator(s). Members of the project Partners' staff cannot be considered as external evaluators. Also, describe how the performance of a project will be measured and how the project will be monitored during its implementation. Please identify appropriate indicators and indicate clearly why the evaluation and monitoring methodology chosen is the most appropriate one.

Please illustrate how your project complements already existing initiatives and estimate the likelihood of a continuation of the stream of benefits produced by the project after the CIPS/ISEC support has ended.

Although a project is by definition limited in time, the aim is to make its results sustainable.

Distinguish between the following aspects of sustainability:

- financial sustainability - *How will the activities be financed once the CIPS/ISEC co-financing ends?*
- institutional sustainability - *Will structures allowing the activities remain in place at the end of the present project? Will there be co-operational '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 increased cooperation, improved codes of conduct, methods, etc.?*

Evaluators will assess whether the proposed results could be achieved without the CIPS/ISEC support, to what extent the outcome of the proposed project can lead to improvement in wider areas of relevance to the CIPS/ISEC Programmes, and whether there are any multiplier effects of the results.

Evaluators are also asked to examine to what extent does the projects costs represent the most economic and efficient solution and/or the best value for money and if further results could be obtained at the same cost.

2.2.8.1 Dissemination strategy

The usefulness of the expected results, the dissemination of results, lessons learned and know-how acquired must be detailed. You must explain **what** will be disseminated (key message, deliverables), **to whom** (target groups, beneficiaries), **why** (purpose), **how** (method and tools) and **when** (timing). The dissemination strategy must be developed in such a way that the results reach the largest possible audience, bearing in mind the European dimension. While planning your dissemination strategy, please consider the following questions:

What will this project produce that will be useful to others? For example:

- Materials (training modules, posters, brochures, multi-media products)
- Data (in research reports, databases, presentations at meetings, etc.)
- Experiences and lessons (regarding both the issues and policy fields concerned, as well as project management, for example managing a large international partnership)
- Good practices (differ from experiences – good practices should have been tested and proved to be valuable through appropriate measurement and evaluation)
- Tools (checklists, protocols, guidelines)
- Suggestions for further development of all of the above mentioned in different EU countries and different contexts, with hints on adapting them, testing them and replicating them.

Who needs the various results or can benefit from them?

For example: if you have a research study on crisis communication tools and services in case of terrorist attacks in three EU Member States (for CIPS), or a research study on support services for victims of trafficking violence in three EU Member States (for ISEC), then obviously policy makers, NGOs, emergency or social services and others not only in those three countries but in other EU countries and also in the EU institutions, will find them of interest. Particularly if you have included in that study some recommendations on what needs to change, or what works or does not work. There are many possible users of the results of your project, apart from the target groups and beneficiaries, such as:

- Partners and members of the network
- Other organisations working in this field in this country
- Other organisations working in this field in other countries
- European institutions, policy makers, MEPs
- Researchers, university laboratories, other institutions
- Beneficiary groups
- Media and others with a general interest in this topic
- Public authorities, ministries, national bodies etc.

How the users are likely to use them and what form should they have to enhance their use?

A research study is a rather easy example, but still needs further consideration. What languages will you produce the report in? If you have a limited budget, you may want to produce it in full in the languages of your partner countries but also produce brief executive summaries in other languages.

You should also consider what the users' reading preferences and usual practice are. If you, for example, are planning to produce guidelines for police officers or other public servants you might need to adjust the style, and consider the pedagogy approach accordingly.

Given the format and the group you want to get the results to, what is the best way of reaching them and when should it be done?

For example, will you print that report and mail it out (expensive), or distribute it by e-mail? How do the users you have identified most often receive the materials they use? Knowing the end users will help choose the right format. Evaluators will assess how adequate the proposed dissemination strategy is to maximise the impact.

2.2.8.2 Visibility of the EU funding

Please note that any communication or publication by the Beneficiaries concerning the project must indicate that the activities have received funding from the CIPS/ISEC Programmes. Any communication or publication by the Beneficiaries, in any form and medium, must therefore indicate that the sole responsibility lies with the author and that the European Commission is not responsible for any use that may be made of the information contained therein.

Please describe briefly how you intend to ensure proper visibility of the EU funding. Annex VI of the Grant Agreement sets out the requirements as regards the graphics to be used.

In case of a CIPS project, you must also tick the box indicating whether you agree or not to the European Commission making the outputs and deliverables of your project available to Member States' public authorities on a secure website (Critical Infrastructure Warning Information Network - CIWIN).

QUALITY CRITERION

2.2.9 Conception and risks

2.2.9.1 How the project idea came about?

2.2.9.2 Demonstrate your knowledge of the most recent developments on the subject of your proposal

2.2.9.3 What are the innovative aspects of your project?

Please justify why there is a need for this project. Applicants must demonstrate that they are aware and have knowledge of the main developments in the field concerned, in particular at EU level. It is also important to have a clear view of the specific role of the project in this context. Please explain why your project is innovative, for example in comparison to the practice in other Member States.

Many applications submitted to the CIPS/ISEC Programmes tend to claim to be 'the first time an action has been taken in this area', whereas in fact they repeat projects already funded under this Programme (or the EU 7th Framework Programme), or they have been undertaken or are in progress elsewhere. The first background research you should do in the planning stage, therefore, is to thoroughly search for any projects or Programmes that cover the same issue you wish to address. You may find all 2007-2011 CIPS/ISEC co-financed projects at: http://ec.europa.eu/home-affairs/funding/cips/funding_cips_en.htm and http://ec.europa.eu/home-affairs/funding/isec/funding_isec_en.htm.

2.2.9.4 What are the potential risks? What is your risk mitigation strategy?

A risk analysis at the start of the project will help you identify the risks that could prevent the project from delivering on time or even lead to it failing. Such an analysis addresses the issue of what might go wrong, what is the likelihood of this happening, how might it affect the project and what can be done about this.

Projects that intend to collect security data from critical infrastructure sites, for example, should take into account the fact that such data may be confidential information and thus hard to retrieve. Other forms of risk include changes in the political, financial or social climate affecting project activity. Another form of risk covers implementation of the project itself – for example, that a partner might decide not to continue and drop out before work is completed, or that a key staff member in an organisation changes jobs and is no longer available to the project.

Risk analysis allows project leaders and partners to anticipate things that might go wrong. Once risk analysis has been done, then the project planner should attempt to find ways to overcome any obstacles that arise or at least to get around them so that the project can proceed. You must suggest a strategy that includes measures to prevent or mitigate these risks.

Evaluators will assess what the risks related to the project are, according to their opinion and assess how relevant the risks identified by the Applicant are. They will also review the appropriateness of the proposed risk mitigation strategy.

2.2.10 Methodology and organisational structure

2.2.10.1 Methodology for implementation

2.2.10.2 Timetable for implementation

Please include a detailed description of:

- the methods of implementation;
- why the chosen methodology is the most suitable for achieving the project's objectives.

Evaluators will assess the appropriateness and relevance of the proposed methodology during the timeframe planned for project implementation.

2.2.10.3 Organisational structure and implementation procedures

2.2.10.4 Project Manager(s)

2.2.10.5 Other Project staff

2.2.10.6 Financial management

Evaluators will assess the relevance of the partnership, the organisational, professional and operational structure (how and who?) chosen to implement all project activities.

How? - An important aspect of project planning is the putting in place of procedures for cooperation within the project team and the cooperation among Partners, if more than one organisation is involved in the implementation of the project. Please describe the organisational structure and the procedures to be used for the daily management of the project. Please explain the division of tasks and responsibilities as reflected in the organisation chart of the project. Please describe also how you intend to communicate with the other Partners and how you will ensure that genuine transnational cooperation takes place.

Who? - In order to assess whether the appropriate human resources have been allocated to the project and to establish that the project team has the appropriate professional capacity to implement the activities, please present the members of the future project team as well as the key persons involved in the project.

The project team responsible for the project must have appropriate professional qualifications as well as proven and documented experience in the relevant field.

Describe the tasks/profile of the persons who will actually carry out the activities and provide the CV of all staff working on the project. In order to facilitate evaluation, you are advised to use the EUROPASS CV format which is available at this address:

<http://europass.cedefop.europa.eu/europass/home/hornav/Downloads/navigate.action>.

All project staff members who are listed in the Budget Form must be identified in these sections. Should no-one have been selected for a specific task at the time of submission of the application, the desired profile of the person should nevertheless be indicated, together with a brief description of the task.

Evaluators will assess whether there is sufficient expertise in the project team in terms of relevant policy area as well as project management, on the basis of the correctly completed sections and annexed CV.

VALUE FOR MONEY CRITERION

2.2.11.1 Best value for money

2.2.11.2 Involvement of third parties/subcontracting

Evaluators will assess whether the project costs foreseen in the Budget Form are sound, reliable, real, reasonable and justifiable, and to what extent these costs represent the most economic and efficient solution and/or the best value for money, and if further results could be obtained at the same cost.

They will also assess whether all estimated costs are clarified in the Application Form and the Technical Annex, as well as if the Budget Form includes precise and detailed information, such as functions/tasks of the staff, units for calculations (depreciation of equipment, day, month, flight, book, pages, language, etc), number of units, etc.

If applicable, you must justify why a third party/subcontractor has to be involved, and explain how that selection will take place. You must also explain the basis for calculating the cost estimate for subcontracting. You must attach one offer/quote/copy of recent contract for similar service and/or tasks to justify each price estimate mentioned in the Budget Form.

Subcontracting is not allowed within the Partnership, neither to Applicant organisation/coordinator nor to Co-beneficiaries or Associate Partners, and cannot exceed 30% of the total eligible costs of the project¹⁵.

EUROPEAN DIMENSION CRITERION

2.2.12 What is the added value of your project at European level?

Projects funded within the CIPS/ISEC Programmes are expected to contribute to solving problems at European level. Therefore the anticipated impact of coordinating the work at European level should be greater than the sum of the impacts of national activities. Explain how the expected results have relevance for a majority of EU Member States and what the geographical impact will be.

European added-value includes analysis and experimentation that lead to recommendations for common models, protocols, guidelines, structures, mechanisms, policies and processes. In practice, it implies that, over and above the attempt to run the project in a number of Member States and build true transnational

¹⁵ Except for PNR Targeted Call and Calls for Proposals restricted to FPs under ISEC

partnerships, Applicants must look beyond the confines of the project to find the broader European relevance of the issues, the actions and the output of the project. Every project should end, if possible, with a clear indication of how the project can be further developed at EU level, and with a statement of its potential for European debate and action.

Evaluators will examine the European dimension of your project on the basis of *inter alia*:

In case of transnational projects

- Does the project have a real transnational nature in terms of its impact and not only in terms of activities carried out?
- To what extent does the project's structure span largely across the EU?
- To what extent does the impact of the project concern a majority of EU Member States?
- Is the number of EU Member States involved satisfactory (not too few and not too many) to reach the objectives?
- Will the expected result(s)/output(s) be implemented in / apply to a large number or a majority of EU Member States?

In case of national projects

- Does this proposal comply with one of the conditions stated in the CFP Section 5.2 d)?

Complementary measures

- Which EU action or/and transnational project does this proposal seek to complement?
- To what extent does the impact of the project concern a majority of EU Member States?
- To what extent is this project relevant for other EU Member States?

Starter measures and other actions

- (If applicable) How could this project be a preparatory action for a transnational project or EU action?
- To what extent do the activities and results of the project have a potential for transferability at EU level?
- (If applicable) How does the Applicant foresee the continuation of this preparatory project?
- (If applicable) To what extent can this project contribute to the development of innovative methods and/or technologies with a potential to transferability at EU level?

2.2.13 Additional comments

Under this section you can enter additional comments which you consider useful for the evaluation of your proposal.

You can also indicate here whether your application package includes specific annexes detailing the technical aspects of your project.

3. PROJECT BUDGET INFORMATION

The amounts indicated in this section must be coherent with the ones indicated in Sheets 1 and 3 of the Budget Form (Part B).

In case of discrepancies, ONLY the amounts from the Budget Form (Part B) will be taken into account during the evaluation procedure.

4.3. Rules on Eligibility of Expenditure and Budget Form (Sheet 3 "Forecast Budget Calculation" of Part B)

For a full understanding of the financial concepts of a grant application and of the eligible categories of expenditure, please consult:

- the Draft Model Grant Agreement available from the CIPS/ISEC webpages: http://ec.europa.eu/home-affairs/funding/cips/funding_cips_en.htm and http://ec.europa.eu/home-affairs/funding/isec/funding_isec_en.htm.
- the section on Grants – Title VI of the Financial Regulation and the Implementing Rules of the Financial Regulation available from Directorate-General Budget's webpage at http://ec.europa.eu/budget/biblio/documents/regulations/regulations_en.cfm#rf_modex.

4.3.1. Specific Rules on Eligibility of Expenditure

As mentioned previously, EU funding may not in any circumstances produce a profit for the Beneficiaries. Profit shall mean any surplus of total actual receipts attributable to the action over the total actual costs of the action (see Article II. 17.4 of the Grant Agreement).

Eligible costs of the project are costs actually incurred by the Beneficiaries, which meet the following criteria and would not have been incurred if the activities had not been carried out:

1. They must have been incurred during the duration of the project and be specified in the Grant Agreement;
2. They are connected with the subject of the Grant Agreement and necessary for the implementation of the action outlined;
3. They are identifiable and verifiable, in particular being recorded in the accounting records of the Beneficiaries and determined according to the applicable accounting standards of the country where the Beneficiaries are established and according to the usual cost-accounting practices of the latter;¹⁶
4. They comply with the requirements of the applicable tax and social legislation;
5. They are reasonable, justified, and comply with the requirements of sound financial management, in particular in terms of value for money and cost effectiveness.

The Beneficiaries accounting and internal 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.

It is important to note that grants are subject to the “**non-retroactivity**” rule, which in particular prohibits grants for activities that have already been completed. Expenditure that is eligible for EU co-financing must not have been incurred prior to the project start date stipulated in the Grant Agreement.

The EU financial contribution cannot exceed 90% of total eligible costs.¹⁷

Thus, complementary funding from other sources must be secured and demonstrated in the Application and Budget Forms. **A minimum of 10%**¹⁸ of the total eligible costs of the project must be provided as a **contribution in cash**, and borne either by the Applicant organisation/coordinator, and/or Co-beneficiaries, and/or Associate Partners, and/or from another donor organisation/third party.

This financial contribution shall consist of **a direct monetary contribution from the partnership's own resources and/or the contribution from any other fund providers**. It must be clearly indicated in the CIPS/ISEC 2012 Budget Form; **contributions in kind (such as non-eligible staff costs – see section 4.3.2.1) are not allowed**.

¹⁶ For FPs: costs incurred by partners are only considered eligible if they have been re-invoiced to the Coordinator and appear in its accounts.

¹⁷ For FPs: the EU financial contribution cannot exceed 95% of total eligible costs.

¹⁸ For FPs: a minimum of 5%.

4.3.2. Part B – Budget Form

WHEN COMPLETING YOUR BUDGET FORM:

PLEASE CONSULT THE COMPLETED BUDGET EXAMPLE AVAILABLE ON THE CIPS/ISEC WEBSITES

PLEASE FOLLOW ACCURATELY ALL THE SPECIFIC GUIDELINES GIVEN IN THIS SECTION

The **CIPS/ISEC 2012 Budget Form – Part B** (in Excel format) **must be used** through the entire life cycle of a project (application, evaluation, award, implementation, final reporting).

The Budget Form consists of six sheets:

- 1) Identification Form (ID Form)
- 2) Partnership
- 3) Forecast Budget Calculation
- 4) Budget and Execution Summary
- 5) Detailed Budget Execution
- 6) Cost Claim

Sheets 1, 2 and 3 (green worksheets) must be used in the application phase, whereas Sheets 4, 5 and 6 (blue worksheets) will be used in the final reporting phase.

Where necessary, the fields are write-protected. As a general rule, only the fields with a white background are to be filled in.

The Budget Form is only accepted for evaluation against eligibility, selection and award criteria if:

- the specific Budget Form provided for the CIPS/ISEC 2012 Call (Part B) is submitted
- the Sheets 1, 2 and 3 'ID Form', 'Partnership' and 'Forecast Budget Calculation' are filled in providing a detailed breakdown of expected expenditure and revenue of the project in Euros.

As the Form is based upon an Excel workbook, all the functionalities and constraints related to this type of document are applicable. The Sheet 4 'Budget & Execution summary' is protected to ensure the integrity of the data and formulae, i.e. is inaccessible for editing. The other sheets are not protected and therefore Applicants are urged not to remove or modify the formulas, especially in the yellow areas as this can impact the final calculation!

Sheet 1 "Identification Form" serves to summarise the basic information on the Applicant's identity and the project. You are invited to introduce the requested information in the white cells. The yellow cell (I27) is write-protected and will be automatically filled in from the *Forecast Budget Calculation* sheet once all the required information has been introduced.

IDENTIFICATION FORM											
Title	Transnational cooperation to prevent illegal transport of toxic products										
Legal name of beneficiary/co-ordinator	LAU										
Address	Kölnstrasse 25 DE- 20126 Köln										
Eligibility period	From: 15/02/2013 To: 14/02/2015										
Banking details	<table border="1"> <tr><td style="background-color: #d9ead3;">Name and address of the bank</td><td></td></tr> <tr><td style="background-color: #d9ead3;">Bank account n°</td><td></td></tr> <tr><td style="background-color: #d9ead3;">I.B.A.N</td><td></td></tr> <tr><td style="background-color: #d9ead3;">Bank account holder</td><td></td></tr> <tr><td style="background-color: #d9ead3;">Payment reference (if necessary)</td><td></td></tr> </table>	Name and address of the bank		Bank account n°		I.B.A.N		Bank account holder		Payment reference (if necessary)	
Name and address of the bank											
Bank account n°											
I.B.A.N											
Bank account holder											
Payment reference (if necessary)											
Summary of activities	<div style="border: 1px solid black; padding: 5px; min-height: 50px;"> Collect, analyse and summarise best practices in EU Member States </div>										
Total amount requested from the Commission	EURO 265,718.83										

Sheet 2 "Partnership" - Please fill in the **legal name of the Coordinator and all the Co-beneficiaries and their countries of origin** and make sure that this information is identical with the one presented in the Application Form Section 2.1.4.

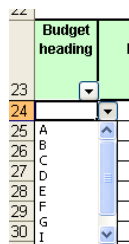
BENEFICIARIES		
Legal name of beneficiary/co-ordinator		Country
LAU		DE
Co-beneficiary Code	Legal name of Co-beneficiary	Country
Co-beneficiary 1	WIK	ES
Co-beneficiary 2	REG	UK
Co-beneficiary 3	ARD	DE
Co-beneficiary 4	FER	FR
Co-beneficiary 5	YGT	IT

Sheet 3 "Forecast Budget Calculation" should contain detailed descriptions of the activities and items listed in your Application Form (Part A) and Technical Annex (Part D).

Please try to be as precise and detailed as possible – the quality of the information provided in this Sheet is crucial in assessing your application. **If Column D does not provide sufficiently detailed justifications, the Commission may reject or reduce the foreseen costs.**

The top left section (down to line 19 incl.) presents an overview of the information to be introduced below. This section is write-protected and will be filled in automatically.

	A	B	C
2	Estimated Expenditure		
3	A	Staff	182,350.00
4	B	Travel	2,690.50
5	C	Equipment	433.33
6	D	Consumables	25,000.00
7	E	Other direct costs	91,245.00
8	Total Direct Costs		301,718.83
9	F	Indirect costs	5,000.00
10	Total Eligible Costs		306,718.83
11	G	Contribution in kind	0.00
12	Total Costs		306,718.83
13	Estimated Income		
14	I	Other contribution	14,000.00
15	K	Contribution from beneficiary/-ies	27,000.00
16		Contribution from EC	265,718.83
17	Total		306,718.83
18	G	Contribution in kind	0.00
19	Total income		306,718.83



As of line 23, **both costs and incomes are to be introduced in column A.** Please choose from the drop-down list for each line to complete the cell with the correct Budget Heading as shown in the picture (letters A-F for costs and I-K for incomes, as indicated in the overview section above). **Each cost or income should be classified under one of these categories; otherwise, the corresponding cell in column A will turn red signalling that the Budget Heading is missing.**

Budget heading	Name of Beneficiary	Activity	Description of item Answer to the questions: Who and/or What ? [e.g.Functions/tasks in the project (Heading A); Estimated destination (Heading B); estimated depreciation (Heading C), etc]	Unit (days, flight, DSA, etc)	Amount per unit in EURO	Number of units	Total EURO	Additional information
----------------	---------------------	----------	---	-------------------------------	-------------------------	-----------------	------------	------------------------

To ease the manipulation of data (copy, paste, insert etc.), this section was intentionally left unprotected. Therefore, you should be very careful not to delete the formula in the column **H** (total) while encoding your data into the table.

Expenditure - there are two main categories of expenditure: **eligible direct costs (Headings A-B-C-D-E)** and **eligible indirect costs (Heading F)**.

A = Staff

B = (Staff's) Travel

C = Equipment

D = Consumables

E = Other direct costs

F = Indirect costs

- Each cost may be allocated to **only one** beneficiary, the one that will incur the cost. It should be the organisation that will pay for this cost and will include this cost in its official accounts. It may be either the Applicant/coordinator or one of the Co-beneficiaries.
- In the column *Activity* you should provide a brief description of each activity as mentioned in the Application Form and Technical Annex (Parts A and D). Please note that an activity may group different costs (example: "Collecting data" - this activity may include part of salaries, travel, equipment, consumables...).
- In the column *Description of item* you should provide a concrete description of each cost. The Budget aims at providing clear financial information, and this column should therefore not be filled out by referring vaguely to activities (e.g. Training, Website, Leaflet etc), but each entry should be a very specific cost (e.g. Salary for X trainers for X days, airplane ticket for X persons from place A to place B, accommodation of X people for Y days in place Z, printing of leaflet in X copies in X languages, translation of X document from X language to X language etc.).

Incomes

H = Interest on pre-financing (is not included in the calculation of the grant as income, but deducted from the final amount of the grant)

I = Other contribution (i.e. income from third parties and/or generated by the project)

K = Contribution from beneficiary/-ies

- For each source of income, the co-financing organisation should be indicated (**I** = *Other contribution* or **K** = *Contribution from Beneficiary/-ies*). You should include separate entries for each source of co-financing.

Remarks:

- For indirect costs and incomes, no activity or description of item has to be indicated.
- Although "contribution in kind" is indicated in the table as letter **G**, such contribution is **NOT an eligible cost** under CIPS/ISEC Programmes. Therefore the total of Heading **G** should remain at 0 or the project proposal will be made ineligible.
- No letter is assigned for the amount of the EC's contribution: this amount is calculated automatically based on the estimated costs and income.
- The *Subtotal of selected entries* does not show the total cost of the project. It is activated only if you use the filter under a column and it indicates each time the total amount of the filtered/selected entries.

When submitting the Application, three sheets of Part B – Budget Form must be filled in: Sheet 1 "ID Form", Sheet 2 "Partnership" and Sheet 3 "Forecast Budget Calculation" and their electronic version must be uploaded in PRIAMOS.

4.3.2.1. Heading A - Staff costs

To ensure the successful implementation of the tasks related to the project activities, appropriate human resources should be allocated to the project.

All members of the project staff with a key and direct role in the CIPS/ISEC project, which are indicated in the Application Form and the Technical Annex (Parts A and D) must be listed under this Heading, even if their "staff costs" cannot be charged to the CIPS/ISEC project. In such a case, their costs must be "0".

"Budget Heading" (column A) should be encoded as A for all entries for staff members. Project staff consists of the personnel of the Applicant organisation/coordinator and Co-beneficiaries. This personnel must remunerated **on the basis of an employment contract and monthly salary slips. If they are remunerated on the basis of invoices, they must be listed under Heading E - Other Direct costs as subcontractors.**

Each staff member listed must be identified with one Beneficiary (**column B**) which will book and incur the expenditure. **For each staff member, column C** must indicate a clear reference to each activity listed in the Technical Annex (Part D) and **column D** must specify his/her name, his/her specific function/specific tasks in the CIPS/ ISEC project, his/her "working status" (1-2-3 or 4) and "staff category" (civil servant or not). "Days" must be encoded in **column E**. His/her daily rate must be entered in **column F** and the number of days foreseen for the CIPS/ISEC project in **column G**.

If you have not decided on a certain staff member yet, please indicate in **column D** TBA ("to be appointed"), his/her envisaged function/tasks in the project, foreseen working status and staff category, as well as daily rates and number of days (**columns F and G**).

If CIPS/ISEC co-financing is sought for staff members' costs, the following conditions on "working status" eligibility have to be respected:

Staff costs are not eligible if they relate to periods when the personnel concerned are doing their "normal routine", i.e. work which they would be doing whether or not the CIPS/ISEC co-financed project had been implemented. Such work shall be considered as in-kind contribution and therefore not eligible. These persons must nevertheless be listed under Budget Heading **A** of the Forecast Budget (Sheet 3 of Part B) under **Option 1 – Normal tasks (column D)**, with zero costs. Public officials/civil servants usually work on a CIPS/ISEC project under Option 1. **Please indicate whether the person is a civil servant in column D.**

The costs of project staff in charge of implementing the project or part of it can be considered as eligible for CIPS/ISEC co-financing, **ONLY** under the following options:

Option 2 - Overtime: A person is employed on a permanent basis by the Coordinator or Co-beneficiary organisation and will fulfil tasks specifically linked to implementation of the project on the basis of overtime/additional hour's remuneration. Overtime should not exceed 2 working days per month, in any case EU and national rules for working time must be respected. **Please indicate whether the person is a civil servant in column D.**

A copy of the employment contract allowing overtime work may be requested at any time by the Commission, and must be provided at project closure, together with timesheets indicating working hours and activity/tasks performed for the CIPS/ISEC project, signed and dated by employee and employer and a proof of payment of the remuneration of this overtime.

Option 3 – Specifically employed/solely contracted: A person is employed by the Coordinator or Co-beneficiary organisation, solely for the purpose of implementing the CIPS/ISEC project or part of it. **Please indicate whether the person is a civil servant in column D.**

A copy of the employment contract indicating the salary may be requested at any time by the Commission, and must be provided at project closure.

Option 4 – Seconded: A person is employed on a permanent basis by the Coordinator or Co-beneficiary organisation, AND **seconded** by a duly documented decision of the organisation to tasks that are specifically linked to the implementation of the CIPS/ISEC project and do not form part of his/her normal routine. **Please indicate whether the person is a civil servant in column D. For public entities, the seconded civil servant must be replaced for his/her usual tasks by another person specifically recruited** and the Coordinator or the Co-beneficiary organisation incurs **additional costs**.

For NGOs and private entities, a letter of assignment stating the name and function of the seconded permanent employee must be attached to the application package, together with a recent payslip/contract attesting the daily rate of the seconded person.

For public entities, a secondment letter (public officials) stating the name and function of the seconded permanent employee, as well as the name and function of the seconding person employed to replace the seconded person, must be attached to the application package, together with a recent payslip/contract attesting the daily rate of the seconded person. At project closure, documents must be provided proving that another person was recruited to perform regular duties of the CIPS/ISEC project staff member and additional funds were spent. Moreover, situations when employees already working for the organisation are working overtime in order to fulfil tasks of a seconded person cannot be considered as meeting the criteria of Option 4 – Secondment.

Example of Option 4 for public entities: *the seconded person works normally 7h30 hours a day, i.e. 5h30 for the CIPS/ISEC project and 2 hours normal work; thus someone else has to work the 5h30 spent on the CIPS/ISEC project. The seconded person is replaced by another person who has to work 5h30, and therefore additional costs are incurred.*

Applicants must be ready to provide **documents to support any entries** under this Heading (employment contract with staff members, payrolls, ledgers, official document on employer's charges), to prove that there is indeed an additional cost for them or/and the Co-beneficiaries. If this is not provided, the Commission reserves the right to reduce and/or remove any costs from the Forecast Budget.

Staff costs must be calculated on the basis of the actual yearly salary of the employee, divided by workable days in a year (i.e. in principle 220) and multiplied by the number of days worked on the CIPS/ISEC project.

The employee's yearly salary include his/her gross remuneration, plus all usual contributions paid by the employer such as social security contributions and other statutory costs, but must exclude any bonuses, incentive payments or profit-sharing schemes, transportation and telecommunication packages, etc. (company car, company phone, meal vouchers, etc).

Please note that for **horizontal management functions**, e.g. Project Manager, Project coordinator, financial manager, accountant, administrative support, etc. the number of working days allowed may be up to half of the above mentioned workable days, i.e. CIPS/ISEC co-financing may cover the costs for a financial manager up to a maximum of 220 days on a project lasting 24 months. The Commission may reduce the number of days allocated to these types of function amongst the various beneficiaries in order to avoid unjustified duplication of the EU co-financed tasks.

Please note that, for **staff members with high daily rates, copy of employment contract and/or salary slip (employer's contributions incl.) must be attached to the application package** to justify these rates. If this is not provided, the Commission reserves the right to reduce and/or remove any costs if deemed unreasonable, unjustified and contrary to sound financial management.

In order to determine whether salaries are acceptable, the maximum indicative amounts, for a full-time working day with all charges included, are in principle €450 for ISCO1, €300 for ISCO2, €250 for ISCO3 and €125 for ISCO4¹⁹. The actual amounts must, however, correspond to the real cost of salaries in the country where the activities take place and the costs are incurred and booked.

In some cases the tasks foreseen in the CIPS/ISEC project do not require actual recruitment of new staff; instead, the delivery of tasks is purchased as a service on the basis of an invoice. In that case, subcontracting costs must be indicated under Heading E - Other direct costs. The service contract must include the compensation paid to the service provider in relation to travel costs, attendance at meetings and participation in activities, etc, and the exact number of days the person should work for the project. Project management cannot be subcontracted and staff members of the Applicant organisation/coordinator and Co-beneficiary organisations cannot be remunerated as subcontractors (service providers, consultants, etc.).

For further guidance concerning the supporting documents to be submitted in case of subcontracting please see section 4.3.2.5 for the application stage and section 5.7.7 for project closure.

¹⁹ <http://www.ilo.org/public/english/bureau/stat/isco/isco88/major.htm>

Staff costs **cannot include** expenditure for **translation/interpretation**, which must be included in Heading E - Other direct costs. Costs for **individual experts/consultants** connected to the CIPS/ISEC project via a service contract must also be listed under Heading E – Other direct costs.

Timesheets

All staff members shall be allocated to the CIPS/ISEC project on the basis of a clear and verifiable method. They must fill in timesheets showing the hours worked for the tasks related to the CIPS/ISEC project. The timesheets must allow adequate verification by the Commission. For further guidance on how to fill in timesheets and present them at project closure, please see section 5.7.3.

Example

	A	B	C	D	E	F	G	H	I
	Budget heading	Name of Beneficiary	Activity	Description of item Answer to the questions: Who and/or What ? [e.g.Functions/tasks in the project (Heading A); Estimated destination (Heading B); estimated depreciation (Heading C), etc]	Unit (days, flight, DSA, etc)	Amount per unit in EURO	Number of units	Total EURO	Additional information
2									
3	A	LAU	1,1	Mr Blue, Project Manager,3, specifically employed	days	150,00	70,00	10.500,00	
4	A	WIK	2	Ms White, financial assistant,1, normal tasks	days	0,00	100,00	0,00	
5	A	REG	3,4	Mr Green, scientist, 4, seconded	days	150,00	20,00	3.000,00	
6	A	ARD	2,2	Mr Brown, Senior researcher, specifically employed	days	100,00	15,00	1.500,00	
7	A	FER	3,4	Mr White, Scientist, work on curricula, seconded civil servant	days	200,00	16,00	3.200,00	
8	A	YGT	3	Mr. Purple, Junior Researcher, 1, as part of normal tasks	days	0,00	17,00	0,00	

4.3.2.2. Heading B - Travel staff

This Heading concerns costs charged for all **project staff declared under Heading A**. If the project staff member is not listed under Heading A, his/her cost under this Heading will not be considered eligible. Travel costs of subcontractors/service providers or of non-staff members related to conferences and seminars are excluded from Heading B and must be accounted for under Heading E – Other direct costs.

" **Budget Heading**" (column A) should be encoded as **B** for staff members' travel and subsistence costs **only directly linked to the CIPS/ISEC project and relating to specific and clearly identifiable activities**. Activities must be indicated in chronological order according to the Timetable (Part C) and Technical Annex (Part D). **Detailed information on each cost** must be given in **columns C and D** (for which activity; name and organisation of the person travelling; estimated origin and destination for each trip). The number of days should be indicated in **column G**. Means of transport (flight/train, etc.) or Daily Subsistence Allowance (DSA) must be indicated in **column E**.

Travel to places other than those where the members of the partnership are located must be shown to be relevant to the CIPS/ISEC project and duly justified. **Travels outside the EU are not eligible for EU co-financing**.

It is required to use **the cheapest means of travel** and to make every effort to obtain the most economical solution. The use of video and telephone conferences/calls should be first considered before deciding on any travelling.

Repartition of costs between Beneficiaries must be clear.

Travel costs and subsistence allowances are not taken into account as lump sum funding. **Travel costs will be reimbursed on the basis of the actual costs and subsistence costs on the basis of actual costs or on the basis of a paid DSA (up to the maxima listed per country in the table below),** subject to the presentation of supporting documents at project closure.

The following thresholds must be applied when planning the estimated cost:

TRAVEL COSTS



The maximum amount allowed for return **flights** between EU Member States is € 400 (one way journey € 200); **only economy class travel is allowed.** For travelling within a Member State, air travel is only allowed if the use of a different means of transport would be more expensive or result in unnecessary additional expenses due to the length of the journey (for example, additional hotel costs). In the case of an internal flight within a Member State, the cost of a flight must not exceed the cost of a 1st class train ticket with a maximum of € 250.

The maximum amount allowed for a return flight between overseas destinations and EU Member States is € 1200 (one way journey € 600).

Parking costs at the airport are to be included within the maximum amounts of € 400 for return flights within the EU and € 250 for internal flights.



Expenses for **travel by train** shall be reimbursed, on the basis of actual costs, at the rate equivalent to a 1st class ticket, except for high-speed train connections, where only travel in economy class must be charged to the project, unless it can be demonstrated that the flight costs for the same journey in economy class would be equal or higher to the costs of the 1st class ticket.



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

- For the private vehicle of the project staff member and for service vehicles owned by the Applicant or Co-beneficiary organisation: on the basis of the declaration, with the maximum amount of refund being the 1st class rail fare (the price of one ticket only will be reimbursed, regardless of the number of people travelling in the same vehicle). Applicants may opt to reimburse the costs on the basis of the beneficiary's internal rules on reimbursement per km. In that case, these internal rules must be presented.
- For hired cars (maximum category B or equivalent): the actual cost, when this is not excessive by comparison with other means of transportation.



Expenses for travel by **bus** are eligible; rental or hire of a bus should be encouraged, if it is a more economical option than individual travelling arrangements of the project staff members. For example, a large number of persons needing to move from one location to another together, or the location of an activity cannot be reached using regular public transportation, etc. If the bus is used for transporting participants to and from the airport the daily subsistence has to be deducted accordingly.

Please bear in mind that receipts, invoices, boarding passes and used tickets must always be kept as supporting evidence of paid travel costs.

DAILY SUBSISTENCE ALLOWANCES - DSA

Daily subsistence allowances (DSA) under this Heading, are intended to cover the expenses of project staff members that relate to their stay at a location of a project activity which is not in their home town.

The reimbursement of subsistence costs shall be calculated on the basis of daily allowances **or** real costs, and **cannot exceed the maxima amounts listed below.** They should be in line with the beneficiary's usual practices on travel costs.

The DSA for project staff should be considered eligible, provided:

- they are **reasonable** in the light of local prices
- they are calculated in accordance with the internal rules of the Applicant/coordinator or Co-beneficiary organisations, which may be based on the real cost or the daily allowance.

The DSA should cover:

- costs for accommodation
- all meals: breakfasts, lunches, coffee breaks, dinners, refreshments
- local transportation (costs of travel by taxi and local public transport)

- other expenses, especially telecommunication charges (internet, telephone, fax, etc.) and costs of travel from/to the airport/train station.

If there is no overnight stay, the amounts must be reduced by **50%**. Local transport, including taxi, will not be reimbursed separately, when a DSA is paid.

If meals or other expenses are provided for, the DSA must be reduced accordingly.

EU Member States (€)

Austria	225	Latvia	211
Belgium	232	Lithuania	183
Bulgaria	227	Luxemburg	237
Czech Republic	230	Malta	205
Cyprus	238	Netherlands	263
Denmark	270	Poland	217
Estonia	181	Portugal	204
Finland	244	Romania	222
France	245	Slovak Republic	205
Germany	208	Slovenia	180
Greece	222	Spain	212
Hungary	222	Sweden	257
Ireland	254	United Kingdom	276
Italy	230		

For countries not mentioned in the above table, the maximum DSA are available on the website of Directorate-General EuropeAid Development and Cooperation DEVCO at:

http://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/documents/update_10_07_2011.pdf

In order to avoid possible abuses, reimbursement in cash of the subsistence costs is to be avoided and bank transfer must be favoured.

Example

	A	B	C	D	E	F	G	H	I
	Budget heading	Name of Beneficiary	Activity	Description of item Answer to the questions: Who and/or What ? [e.g.Functions/tasks in the project (Heading A); Estimated destination (Heading B); estimated depreciation (Heading C), etc]	Unit (days, flight, DSA, etc)	Amount per unit in EURO	Number of units	Total EURO	Additional information
2									
3	B	LAU	4	Mr Blue, collecting information, coordination meeting in London	flight	400,00	1,00	400,00	
4	B	LAU	4	Mr Blue, collecting information, coordination meeting in London, 1 day / 1night	DSA	276,00	1,00	276,00	
5	B	REG	10	Mr Green, scientist, final conference in Riga	flight	400,00	1,00	400,00	
6	B	REG	11	Mr Green, scientist, final conference in Riga, 2 days / 1 night	DSA	316,50	1,00	316,50	
7	B	ARD	4	Mr Brown, coordination meeting Paris-London	flight	400,00	1,00	400,00	
8	B	ARD	4	Mr Brown, coordination meeting Paris-London - 1 days/1 overnight	DSA	276,00	1,00	276,00	
9	B	FER	10	Mr White, final conference in Bucharest	flight	400,00	1,00	400,00	
10	B	FER	10	Mr White, final conference in Bucharest - 1 day/1 overnight	DSA	222,00	1,00	222,00	
11	B	WIK	12	Subcontraction - Design of training	Person	3.000,00	4,00	12.000,00	

4.3.2.3. Heading C - Equipment

"Budget Heading" (column A) should be encoded as C for costs for equipment **only directly linked to the CIPS/ISEC project and relating to specific and clearly identifiable activities.**

Under this section only the equipment (new or second-hand) necessary for activities that are directly linked to the CIPS/ISEC project should be indicated. **Costs relating to the acquisition of equipment, whether by purchase, leasing or rental, shall only be eligible if such acquisition is strictly necessary for the performance of the project activities.** Applicants must clearly demonstrate why equipment has to be purchased, rented or leased to carry out the CIPS/ISEC project activities. Furthermore, they have to compare prices of different suppliers to see who offers the best value for money (taking both price and quality into account). Applicants can only charge against the CIPS/ISEC project costs for equipment purchased or/and rented during the contractual project period, at a rate that reflects the degree and duration of use within that period.

Please note that at least **one offer and/or quote per listed equipment item must be attached to the application package** to justify each price estimate listed under this Heading. If this is not provided, the Commission reserves the right to reduce and/or remove any costs from the Forecast Budget.

Expenditure for installation, maintenance, update of software and hardware if performed by a subcontractor must be indicated under Heading E – Other direct costs. Please see section 4.3.2.5 for the application stage and section 5.7.7 for project closure concerning the supporting documents to be submitted in case of subcontracting. If on the other hand these tasks are performed by project staff members of the Applicant or Co-beneficiary organisations, this should be included in Heading A.

Purchase

If leasing or renting is not possible, purchase is acceptable subject to the following conditions:

- only costs related to depreciation of the equipment can be taken into account when calculating the total eligible costs of the project
- depreciation costs are calculated as described below, unless the national rules and regulations in the country of origin of the organisation which is to purchase the equipment require a different method or allow a more favourable option
- all costs must be without VAT, unless the Beneficiaries can prove that the organisation is unable to recover it under national legislation applicable, and
- a comparison of the prices of different suppliers to see who offers the best value for money (taking into account price and quality) has been made.

Calculation of depreciation

The unit costs in case of depreciation must be the **eligible depreciation costs/month**. Depreciation must be calculated in accordance with the tax and accounting rules applicable to the beneficiary and generally accepted for items of the same kind.

Depreciation can be calculated in 2 ways:

- taking into account the rate and the duration of usage during the project period
- at 100% in specific cases (e.g. bus to be destroyed in a counter-terrorism exercise; PNR equipment, etc.)

For example, if the life expectancy of the equipment is considered to be **three years**, the depreciation costs/month shall be calculated by dividing the acquisition cost of the equipment by 36 months and then adjusted by the rate of usage for the purposes of the CIPS/ISEC project. Please indicate in **column F** the price of purchase and the details on "with/without VAT" and for depreciation calculation in **column H**.

Examples

1. The project duration is the maximum allowed: 24 months. The equipment is used 50 % for the project for 3 months.

Purchase price <i>excl. VAT</i>	Costs/ month	Use for project purposes	Eligible amount of depreciation for the project
€10.000,00	10.000,00/ 36 months= €277,77	277,77* 50%= €138,88	138,88 * 3 months= €416,65

2. The project duration is the maximum allowed: 24 months. The equipment is used 100 % for the project for less than 24 months, for example 18 months.

Purchase price <i>excl. VAT</i>	Costs/ month	Use for project purposes	Eligible amount of depreciation for the project
€10.000,00	10.000,00/ 36 months= €277,77	277,77 * 100%= €277,77	277,77 * 18 Months= €4999,98

Costs **will not be eligible** if the equipment was purchased **prior to the start of the period of eligible expenditure indicated in the Grant Agreement**. The equipment purchased must be itemised in the organisation in which it is installed and bear an inventory number.

Office equipment

The costs of office equipment necessary for the management of the CIPS/ISEC project can only be taken into account as part of the overhead costs. Therefore, the costs of furniture, standard office IT equipment (printers, laptops, PCs together with the standard operating systems and normal office software, software for telecommunication), photocopiers, fax machines, cameras, video cameras, telephones, mobile phones and phone accessories are covered under Heading F - Indirect costs.

Equipment related to conferences/workshops

Standard equipment necessary for conferences/workshops: i.e. equipment for interpretation, microphones, audio-visual equipment (especially beamers, projectors), etc. must be listed under Heading E - Other direct costs and included in the conference package.

Rental/lease

The decision on whether to opt for leasing, rental or purchasing of hardware or equipment must be based on the principle of best value for money. Applicant or Co-beneficiary organisations must contact several suppliers in order to obtain the most economical terms. If it is decided to opt for rental or leasing, the cost of any buy-out option at the end of the lease or rental period shall not be eligible, and costs are only eligible for the period of the CIPS/ISEC project.

Example

	A	B	C	D	E	F	G	H	I
	Budget heading	Name of Beneficiary	Activity	Description of item Answer to the questions: Who and/or What ? [e.g.Functions/tasks in the project (Heading A); Estimated destination (Heading B); estimated depreciation (Heading C), etc]	Unit (days, flight, DSA, etc)	Amount per unit in EURO	Number of units	Total EURO	Additional information
2									
3	C	FER	5	Purchase of software licence	Piece	100,00	3,00	300,00	
4	C	WIK	5	Purchase of digital camera for exercises. Purchase price without VAT: €400. Depreciation for 36 months, full time use 12 months: (400/36)*12=133,33	Piece	133,33	1,00	133,33	

4.3.2.4. Heading D – Consumables

"Budget Heading" (column A) should be encoded as D for costs for consumables **only directly linked to the CIPS/ISEC project and relating to specific and clearly identifiable activities**. Any costs for consumables listed in the Forecast Budget should be calculated using the appropriate unit (lump sums are not allowed) and the direct link to the activities of Part D – Technical Annex must be presented.

The costs of consumables and supplies are eligible, provided that they are identifiable and exclusively used for the purpose of the project and only where they involve unusually heavy costs because of a specific characteristic of the project – for example, the cost of producing and distributing questionnaires, as part of a major survey, costs of explosive etc. They must be identifiable as such in the accounts of the Applicant or Co-beneficiary organisations.

Costs such as office stationery (pens, paper, folders, ink cartridges, diskettes etc.), electricity supply, telephone and postal services, Internet connection time, office software, etc. are to be considered as indirect costs (see Heading F – Indirect costs).

Consumables related to conferences and seminars must not be included under this Heading. They have to be accounted for under Heading E - Other direct costs and included in the conference package.

Example

	A	B	C	D	E	F	G	H	I
	Budget heading	Name of Beneficiary	Activity	Description of item Answer to the questions: Who and/or What ? [e.g.Functions/tasks in the project (Heading A); Estimated destination (Heading B); estimated depreciation (Heading C), etc]	Unit (days, flight, DSA, etc)	Amount per unit in EURO	Number of units	Total EURO	Additional information
2									
3	D	REG	7	Survey - sending of questionnaires	Piece	5,00	5.000,00	25.000,00	

4.3.2.5. Heading E - Other direct costs

"Budget Heading" (column A) should be encoded as E for other direct costs only directly linked to the CIPS/ISEC project and relating to specific and clearly identifiable activities.

Costs charged to this Heading must meet the following criteria:

- they must not be covered by any other budget headings
- they must be necessary for the proper performance of the tasks included in the CIPS/ISEC project proposal
- they must eligible under the Grant Agreement

They can be divided into 3 main categories:

- conferences and seminars
- publication and dissemination
- other possible direct costs

For any other direct costs deemed unreasonable, unjustified or contrary to sound financial management, the Commission reserves the right to reduce and/or remove them, especially if no offer nor quote are attached to the application package.

Conferences and seminars

Conference/workshop/seminar/training should be indicated under column D.

All costs related to conferences, seminars, workshops and trainings, regardless of their nature (travel, subsistence, translation and interpretation costs, printing, photocopying, consumables and supplies related to the event, conference package, room rental, coffee breaks, etc.), must be included under this budget heading.

This Heading should not include the travel expenses and subsistence allowances for project staff taking part in the event, which are to be indicated under Heading B. In the case of local staff, no hotel costs are eligible. Travel costs and seminar packages are not taken into account as lump sum funding, but **will be reimbursed on the basis of the actual costs**, subject to the presentation of supporting documents at project closure.

The maximum amounts indicated in the table under Heading B above are also the maximum rates that may be claimed under this Heading. If meals or other expenses are provided for, the daily allowance has to be reduced accordingly.

All entries must correspond to the activities indicated in chronological order according to the Timetable (Part C) and Technical Annex (Part D). Costs must be itemised by activity/event and indicated with the name of venue, expected duration, origin and destination of each trip. Please indicate also the expected number of participants (including local participants).

Detailed information on each cost must be given in columns **D – E – F – G (for which activity; name and organisation of the person travelling; estimated origin and destination of each trip; for how many days; how many participants, etc.). Seminar packages, meeting costs, means of transport (flight/train, etc.) or DSA, etc.** must be indicated in **column E**.

Repartition of costs between Beneficiaries must be clear.

As a general rule, interpreters should be hired locally. For their travel costs and DSAs to be covered by the CIPS/ISEC grant, it must be impossible to hire them locally and it must be explained why this is so. Interpreters as service providers must not be included in the number of participants; therefore **DSA and hotel costs are not eligible costs for locally hired interpreters**. Furthermore, if the interpreters are staff members of the Applicant or Co-beneficiary organisations, they should be treated as project staff members under Heading A and the conditions for staff members must be applied.

Speakers' fees

Only fees for external speakers should be listed here. If already known at the planning phase, the name of the speaker must be indicated and his/her CV must be attached and a short profile must be provided in order to assess whether the provisions for his/her costs are proportionate. At the stage of the final reporting, evidence that the speaker actually received the fee has to be presented (bank transfer, cash receipt, contract, etc). If the speakers are staff members of the Applicant or Co-beneficiary organisations, they cannot receive speaker's fees and should be treated as project staff members under Heading A and the conditions for staff members must be applied.

Speaker's fees do not include DSAs that shall be provided separately.

Threshold prices for "Conferences and Seminars" items:

Seminar package	max €100/person/day (8 hours)
The seminar package should include one meal and coffee breaks, room rental, badges, stationery, documents for the conference/seminar/workshop (such as brochures, programmes, posters, flyers, etc.), hostesses, registration charges, audiovisual, technical equipment/support, microphones, flip charts, rental stands, etc.	
Normal meal (dinner or lunch)	max €35/person
Interpretation	max €750/day/interpreter
<ul style="list-style-type: none"> ▪ number of interpreter days required (1 interpreter day = one 8-hour working day of an interpreter) ▪ languages concerned 	
Speaker's fee	max €350/person/day

Publications and dissemination

In order to be eligible for EU funding, publications must be produced by, and for the use of the CIPS/ISEC project. Any communication or publication by the Beneficiaries about the CIPS/ISEC project, including at a conference or seminar, **shall indicate that the project is co-financed by the European Union under the CIPS/ISEC Programmes**. This obligation forms also a part of the Grant Agreement as Annex VI. Moreover, in agreement with CIPS Beneficiaries, the European Commission may make the outputs and deliverables of CIPS co-financed projects available to Member States' public authorities on a secure website (Critical Infrastructure Warning Information Network - CIWIN).

Dissemination is a key element of all EU funded projects. It is the way a project can move beyond its own programmed scope into European policy and action. It is also the key to extending a project's results to other potential users, to those who stand to gain from knowing what the project has achieved – or has not achieved – and to the policy and decision makers within the CIPS/ISEC Programmes on a long term perspective.

Dissemination of results should therefore be a core element of the project proposal. It must be carefully planned and the appropriate resources should be allocated. Experience shows, however, that dissemination is often a weak element of projects, tagged on to the end of the project when the 'real work' has been completed, and thus often budgeted unsatisfactorily and inadequately time-tabled. It is crucial that you take dissemination very seriously and actively plan for it. It is not something you can just do at the end of the project.

It is worth noting that **dissemination is NOT:**

- Merely giving partners copies of materials and reports

- Sending copies of materials to associated networks or groups and asking them to distribute them and then keeping fingers crossed that they do
- Posting something to a website and trusting users to somehow know that it is there, and
- Printing hundreds of copies of reports and presuming people will come and ask for them.

For more guidance on a proper dissemination plan see page 21 in this Guide.

Please bear in mind whether to print reports and mail them out (expensive) or distribute them by e-mail; how do the users you have identified most often receive the materials they use, etc. Please note that if you are planning to print the report and send it out by mail, you need to include not only production costs but also postage costs in your budget. However, if you send it out, you will need to work on developing a very carefully targeted mailing list to make sure you reach your intended audience.

Please consider all the ways you might get the results out:

- Printed
- Electronic (by e-mail, on USB, CD-Rom or DVD-Rom?)
- Video or other visual medium
- Through a personal meeting
- Via a conference or seminar presentation
- Via a third party, for example the media or a training institution.

Publication/dissemination should be indicated under column D.

Detailed information regarding these publication and dissemination costs must be indicated in **columns D - E - F - G**.

In the case of printed material, describe the type of publication, the estimated numbers of pages and copies. The costs of the design and editing must be indicated separately from the cost of printing.

Please consider also what languages you will produce the report in and aim, within the limits of the project budget, to produce materials in as many languages as possible - with an emphasis on the languages of countries in which the materials *are most likely to be useful*. If the publication is translated, the language(s) must be clearly indicated.

Threshold prices for "Publications, Dissemination and Evaluation of the Results" items:

Photocopies (black + white): max. €0.10 per page

Purchase of CDs: max. €5 each

Translation: max. €45 per page

Design costs: max. €15-20 per page

Printing: max. €0.20 per page

If the dissemination strategy includes dissemination of results via an Internet website, the costs of acquiring a domain may be considered eligible.

For further guidance concerning the supporting documents to be submitted in case of subcontracting, please see below for the application stage and section 5.7.7 for project closure. If website developers are project staff members of the Applicant or Co-beneficiary organisations, they should be treated as project staff members under Heading A and the conditions for staff members must be applied.

EU co-financing cannot be given for profit purposes. Should the results of the CIPS/ISEC project be commercialised and should the project thereby generate income, the amount of this expected income must be indicated in Heading I – Other contribution.

Other possible direct costs

Costs charged to this category must:

1. not be covered by any other budget heading
2. be necessary for the proper performance of the project activities
3. not involve any fundamental change in the scope and content of the work
4. be clearly identifiable - no lumps sums
5. respect the eligibility conditions of the CFP and Guide for Applicants

Provided that they meet the above criteria, typical expenses under this category may include:

- charges for financial services in specific contexts (charges for bank guarantees and transfers). Interest charges and insurance against exchange losses, as well as exchange losses, are not eligible
- other costs stemming from obligations under the Grant Agreement (reports, translations, certificates, specific evaluations of the project's implementation, if agreed or requested by the Commission, etc.)
- external financial audit of the project at the final reporting stage requested by the Commission. Please note that the request for payment shall be accompanied inter alia by a certificate on the projects' financial statements and underlying accounts related to the project. The coordinator should provide the Commission with an external audit certificate related to the expenses incurred **for the whole project**. Each beneficiary (Coordinator and Co-beneficiary) with eligible expenses exceeding 100.000 € should provide an external audit certificate for its particular expenses. The auditing entity must be an approved auditor or, in case the beneficiary is a public body, a competent and independent public office. Applicants should include in their forecast budget the costs for such certificates (model available on CIPS/ISEC websites)
- or the costs of subcontracting (service contracts, consultancy fees, etc.)

Subcontracting

Subcontracting should be indicated under column D.

It is not permitted to subcontract the main activities of the CIPS/ISEC project. Coordinator and Co-beneficiaries must have the capacity to carry out the projects main activities themselves. Sub-contracting is a derogation to this general rule and is limited to specific cases:

- subcontracts may relate only to a limited part of the project and cannot account for more than 30% of the total eligible cost of the project
- core elements of the project cannot be subcontracted
- the recourse to the award of contracts must be **duly justified in the Application Form** (having regard to the nature of the project and what is necessary for its implementation) and **approved by the Commission**
- any recourse to the award of contracts while the project is under way, if not provided for in the initial grant application, shall require prior written authorisation by the Commission.

In any case subcontracting may **not account for more than 30% of the total eligible cost of the project**²⁰

The Coordinator may not subcontract the coordination, management and general administration of the project and the Co-beneficiaries may not subcontract all the activities for which they are responsible.

Furthermore, there shall be no statutory link between the subcontractor/service provider and the Applicant organisation/coordinator or its Co-beneficiaries/Associate Partners or members of their staff: any situation which could lead to conflicts of interest and circumvention of the non-profit principle must be avoided. In the latter case, the Commission must be informed and give its prior approval.

When the Applicant organisation/coordinator or any Co-beneficiary chooses a subcontractor, procurement rules must be applied (see Articles I.12.3 and II.9 of the Grant Agreement) and the entity responsible for the acquisition must ensure a fair and transparent procedure and keep documentary evidence of the procedure. The contract shall be awarded to the bid offering best value for money.

For public CIPS/ISEC beneficiaries, the award of sub-contracts must comply with the applicable national rules on public tendering and be in conformity with EU Directives on public tendering procedures.

For private CIPS/ISEC beneficiaries, the award of sub-contracts must be done to the bid offering best value for money, i.e. to the tender offering the best price-quality ratio, while taking care to avoid any conflict of interests, and notably for contracts exceeding 60.000 EUR, five offers should be requested.

The Commission reserves the right to ask the Applicant for the documents proving that the relevant rules of public procurement²¹ were applied. These documents must in any case be submitted with the final reporting documents at project closure.

²⁰ Except for PNR Target Call and Calls for Proposals restricted to FPs under ISEC

²¹ [Directive 2004/17/EC](#) of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors (30.04.2004) and [Directive](#)

Even though certain services may be performed by a subcontractor, the Coordinator and its Co-beneficiaries maintain full responsibility for carrying out the project. They also retain the intellectual property generated, if any, and they ensure that the conditions applicable to them under Articles II.1, II.2, II.3, II.4, II.5, II. 6, II.10 and II.20 of the Grant Agreement are also applicable to the subcontractor. The Commission is NOT party to the subcontracting agreement between the Coordinator or/and Co-beneficiaries and the subcontractor, and is not liable towards any of the parties under such agreement. Thus, the Coordinator and Co-beneficiaries will retain sole responsibility for the implementation of this agreement and for compliance with its provisions. They must undertake the necessary arrangements to ensure that the subcontractor waives all rights in respect of the Commission under such agreement.

At least **one offer/quote/copy of recent contract for similar service and/or tasks must be attached to the application package to justify each price estimate** listed under category Other Possible Direct Costs. If this is not provided, the Commission reserves the right to reduce and/or remove any costs from the Budget Form.

Example

	A	B	C	D	E	F	G	H	I
	Budget heading	Name of Beneficiary	Activity	Description of item Answer to the questions: Who and/or What ? [e.g.Functions/tasks in the project (Heading A); Estimated destination (Heading B); estimated depreciation (Heading C), etc]	Unit (days, flight, DSA, etc)	Amount per unit in EURO	Number of units	Total EURO	Additional information
2									
3	E	WIK	12	Subcontracting - Design of training	Person	3.000,00	4,00	12.000,00	
4	E	YGT	13	Final conference in Milano 27 EU Member States representatives	Flight	27,00	400,00	10.800,00	
5	E	YGT	13	Final conference in Milano 27 EU Member States representatives, 1 day / 1 night	DSA	230,00	40,50	9.315,00	
6	E	YGT	13	Final conference in Milano Interpretation / 1 day / IT - EN / 2 interpreters * €500	Fee	500,00	2,00	1.000,00	
7	E	YGT	13	Final conference in Milano External speaker Paul White	Fee	350,00	1,00	350,00	
8	E	YGT	13	Final conference in Milano Seminar package (27 EU + 30 locals)	Package	100,00	57,00	5.700,00	
9	E	REG	14	Final report / 150 pages: Design, EN	Page	20,00	150,00	3.000,00	
10	E	REG	14	Final report: translation IT - EN	Page	40,00	300,00	12.000,00	
11	E	ARD	13	Interpretation 1 day/DE-EN-DE 2 interpreters * €500	Fee	500,00	2,00	1.000,00	
12	E	WIK	13	Speaker's fee - external speaker - Mr. R. Esposito	Fee	350,00	1,00	350,00	
13	E	LAU	8	Final report / 150 pages/printing	Page	0,20	150,00	30,00	
14	E	LAU	8	Final report/translation/150 pages/EN to DE and FR	Page	40,00	300,00	12.000,00	
15	E	FER	9	Webpage design/external company having Framework contract with FER	Webpage	2.500,00	1,00	2.500,00	
16	E	FER	9	Maintenance of the webpage/external company having Framework contract with FER/100 € per month/webpage to be set up after project year 1/ maintenance period 12 months	Month	100,00	12,00	1.200,00	
17	E	FER	10	Training for adjustment, installation/external company to be selected following public procurement procedure/3 initial offers attached	Person	5.000,00	4,00	20.000,00	

4.3.2.6. Heading F – Eligible Indirect costs

Indirect costs (Overheads) relate to categories of expenditure that are not identifiable as specific costs directly linked to for carrying out the CIPS/ISEC project but are incurred in connection with the eligible direct costs for this project. They may not include any eligible direct costs.

"Budget Heading" F should be encoded in column A.

Heading F includes in particular the following costs:

- rents
- communication costs (postage, fax, telephone, mailing, internet connection, telecommunication software, etc.)
- office supplies (stationery, photocopies, paper, ink, cartridge, etc.)
- office furniture

[2004/18/EC](#) of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts (30.04.2004) as implemented in national legislation of Member States.

- standard office IT equipment, (copy machine, projector, beamer, PC, laptop, normal office software, etc.), cameras, video cameras
- maintenance costs
- heating, water supply, electricity or other forms of energy
- insurance policies, and
- costs related to horizontal services, such as administrative and financial management and human resources.

Flat-rate funding for indirect costs

Within the limits permitted by the Grant Agreement (Article I.4.2), overhead costs can be financed by means of flat-rate financing. This means that costs under Heading F - Indirect costs do not have to be supported by accounting documents.

The percentage of CIPS/ISEC co-funding mentioned in the Grant Agreement is calculated on the total eligible costs = direct costs (A+B+C+D+E) + indirect costs (F).

The amount of eligible indirect costs:

- **must not exceed a maximum of 7% of the total eligible direct costs of the project (total of Headings A, B, C, D and E) – for the entire project;**
- **cannot be higher than €50 000 – for the entire project; AND,**
- **each beneficiary cannot receive as overheads more than 15% of its total eligible staff costs (as listed under Heading A).**

Indirect costs should be proportionate to the workload due to the type and nature of activities, length of project, and number of Co-beneficiaries, etc.

Projects aiming at merely purchasing equipment cannot receive overhead costs.

If one of the beneficiaries (Co-ordinator or Co-beneficiary) receives an operating grant from the EU budget, no indirect costs can be included in the Forecast Budget for this beneficiary. Applicants shall make a declaration regarding this in the table under Section 1.5.6 of the Application Form – Part A.

**Up to maximum 7% of total eligible direct costs of the project,
AND maximum €50 000 for the whole project (NOT per beneficiary),
AND up to maximum 15 % of total eligible staff costs per beneficiary**

4.3.2.7. Heading G – Contribution in kind

Under the CIPS/ISEC Programmes, contributions in kind are not accepted to cover the remaining total eligible costs. Therefore, Heading G - Contribution in kind **must not be filled in and remain at 0.**

4.3.2.8. Heading H – Interest on pre-financing

This Heading is not filled in at the stage of the Forecast Budget while applying for a grant.

It must be filled in at the stage of the final declaration.

4.3.2.9. Heading I – Other contribution (other contributions from third parties and/or generated by the project activities)

Total income must be identical to total expenditure. While estimated expenses (eligible costs) must be listed under Headings A, B, C, D, E, and F, the different incomes must be listed under Headings I and K.

The CIPS/ISEC Programmes may cover an amount not exceeding 90%²² of the total eligible costs of the project. Therefore, the remaining amount **(a minimum of 10%)²³ must be covered in cash by other sources** and/or the contributions of the Applicant organisation/coordinator, the Co-beneficiaries or Associate Partners or a third party (sponsor organisation).

²² For FPs: 95%.

²³ For FPs: 5%.

The EU contribution is not a project-related income. The contribution requested from EC (i.e. from the CIPS/ISEC Programmes) is calculated automatically on the Sheet "Budget & Execution Summary" and is **NOT indicated** under Headings I and K. "Budget Heading" I should be indicated in column A.

If the CIPS/ISEC project activities are expected to **generate income**, the estimated amount of income must be listed under **Heading I** of the Forecast Budget (e.g. conference fees paid by participants, revenue from commercialising a publication, etc.). An endorsement letter must be attached to the application package stating that the Applicant organisation/coordinator will cover this contribution if no income is generated (e.g. low participation level in a conference resulting in fewer fees received).

Cash contribution provided by a **third party (sponsor) organisation** must be demonstrated through the Co-financing Declaration Form (Part H). Each sponsor organisation must complete and sign the Declaration and indicate the amount of financial contribution in the designated section of the form. The same amount must be indicated under **Heading I** of the Forecast Budget. The Declaration must be attached to the application package.

Example

	A	B	C	D	E	F	G	H	I
	Budget heading	Name of Beneficiary	Activity	Description of item Answer to the questions: Who and/or What ? [e.g.Functions/tasks in the project (Heading A); Estimated destination (Heading B); estimated depreciation (Heading C), etc]	Unit (days, flight, DSA, etc)	Amount per unit in EURO	Number of units	Total EURO	Additional information
2									
3	F	LAU		Overheads		5.000,00	1,00	5.000,00	

4.3.2.10. Heading K – Contribution from Beneficiary/ies

Under **Heading K**, **cash contributions** from the Applicant organisation/coordinator and Co-beneficiaries/Associate Partners must be listed.

Co-financing guarantees must be provided at the application stage:

- **Contribution by Applicant organisation/coordinator:** by signing the Application Form (Part A) and entering the amount of the contribution in the designated cell in the Forecast Budget under **Heading K**, the Applicant organisation/coordinator makes a binding declaration concerning this amount. No further documents are required.
- **Contribution from Co-beneficiaries/Associate Partners:** by signing the Partnership Declaration Forms (Parts F and/or G) and entering the amount of the contribution in the designated section of this form, the Partner organisation makes a binding declaration concerning this amount. The same amount must be indicated under **Heading K** of the Forecast Budget. The Declaration must be attached to the application package.

Example

	A	B	C	D	E	F	G	H	I
	Budget heading	Name of Beneficiary	Activity	Description of item Answer to the questions: Who and/or What ? [e.g.Functions/tasks in the project (Heading A); Estimated destination (Heading B); estimated depreciation (Heading C), etc]	Unit (days, flight, DSA, etc)	Amount per unit in EURO	Number of units	Total EURO	Additional information
2									
3	K	YGT		Contribution in cash	cash	2.000,00	1,00	2.000,00	
4	K	LAU		Contribution in cash	cash	15.000,00	1,00	15.000,00	
5	K	FER		Contribution in cash	cash	10.000,00	1,00	10.000,00	

4.3.2.11. Budget & Execution Summary Sheet

The calculations in the Budget & Execution Summary sheet (Sheet 4 of Part B – Budget Form) are made **automatically** on the basis of the reference letter indicated in column A 'Budget Heading' in Sheet 3 "Forecast Budget Calculation". Therefore it is very important when encoding the data to avoid errors, especially in the column "Budget Heading". There should not be any space or explanations in the column

of "Budget Heading", only the letter of the relevant budget heading (A for staff, C for equipment, etc.). Please verify that this summary sheet is correctly filled in before uploading Part B in PRIAMOS. Please keep a print out of Part B as uploaded in PRIAMOS.

Costs must be clearly divided between Applicant organisation/coordinator and Co-beneficiaries.

This section is write-protected.

In this overview, the amounts are automatically inserted and consolidated by budget heading/item. It provides the amounts of the estimated, declared, eligible and accepted expenditure. It also enlists the estimated and declared income. It further shows the final calculation of the amount of the grant and the final payment or reimbursement.

Example

BUDGET & EXECUTION SUMMARY

Ref.	Budget heading	Estimated expenditure	%	Declared expenditure	Change %	Total eligible	Total accepted for the non profit rule
A	Staff	182,350.00		0.00	-100.00%	0.00	0.00
B	Travel	2,690.50		0.00	-100.00%	0.00	0.00
C	Equipment	433.33		0.00	-100.00%	0.00	0.00
D	Consumables	25,000.00		0.00	-100.00%	0.00	0.00
E	Other direct costs	91,245.00		0.00	-100.00%	0.00	0.00
	Total Direct Costs A+B+C+D+E	301,718.83		0.00	-100.00%	0.00	0.00
F	Indirect costs (max 7%)	5,000.00	1.66%	0.00	#DIV/0!	0.00	0.00
	Total Eligible Costs	306,718.83		0.00	-100.00%	0.00	0.00
G	Contribution in kind/non eligible	0.00		0.00		0.00	0.00
	Total Costs	306,718.83		0.00		0.00	0.00

Ref.	Budget heading	Estimated income	%	Declared income	%
I	Other contribution from third parties and/or generated by the activities	14,000.00	4.56%	0.00	#DIV/0!
K	Financial contribution from the beneficiary/-ies	27,000.00	8.80%	0.00	#DIV/0!
	Contribution from EC	265,718.83	86.63%	0.00	#DIV/0!
	Total	306,718.83		0.00	
G	Contribution in kind/non eligible	0.00		0.00	
	Total Income	306,718.83		0.00	

FINAL PAYMENT CALCULATION		Beneficiary request	EC final decision
A	(Total eligible x % Contribution from EC)	0.00	0.00
B	(Max. Contribution from EC)	265,718.83	265,718.83
C	(Total accepted expenditure for the non profit rule - Declared other contribution "I")	0.00	0.00
	Base of final payment calculation (lowest amount of A/B/C)	0.00	0.00
J	Pre-financing paid	0.00	0.00
H	Recovery of interest on pre-financing	0.00	0.00
	Final payment	0.00	0.00

4.3.2.12. Non-eligible costs in the Forecast Budget

The costs listed below shall NOT be considered as eligible costs.

Therefore, they will not be taken into account in the final calculation of the grant and must not be entered in the Forecast Budget (Sheet 3 "Forecast Budget Calculation") at the application stage or at final reporting stage:

- costs which are not identifiable or verifiable on the basis of supporting documents
- capital increases and return on capital
- debt and debt service charges
- provisions for losses or potential future liabilities
- other interest owed
- doubtful debts
- exchange losses
- costs declared by the beneficiary in connection with another specific project or work programme receiving an EU grant
- excessive or reckless expenditure
- gifts and presents
- touristic or cultural site programmes, tours or events for accompanying spouses, etc.
- contributions in kind: these costs are non-cash inputs which do not constitute eligible costs used for the purposes of calculating the EU grant (for instance, staff costs for which no financial contribution

is requested, the free use of a school hall for a seminar, the donation of paper for printing books by a government agency, non-remunerated consultancy work, etc.)

- expenditure incurred outside the lifetime of the CIPS/ISEC project as stipulated in the Grant Agreement
- expenditure related to reports/audits not requested by the Commission, and
- Value Added Tax - VAT, unless the beneficiary can show that the organisation is unable to recover it under the national legislation applicable. It must be noted that VAT paid by public bodies²⁴ is not an eligible cost.

The Coordinator must ascertain from the competent national authorities which are the national provisions, rules and legislation governing taxation.

If costs charged to the CIPS/ISEC project include VAT, evidence in the form of an official document from the appropriate national tax authority, certifying that your organisation is unable to recover VAT must be provided. **VAT is not eligible for public bodies.**

4.4. Part C – Timetable

An approximate timetable for implementing the CIPS/ISEC project, indicating each activity and marking the month in which the activity is due to take place, must be submitted. The proposed **starting date of the CIPS/ISEC project must also be indicated** taking into account the time elapsed between the submission of the application and the signature of the Grant Agreement by both parties. On this Excel Sheet you may add extra lines if need be.

4.5. Part D – Technical Annex – detailed list of project activities

Please list all the activities in chronological order and according to Part C – Timetable.

The summary of the project in section 2.1.10 of the Application Form must be consistent with all the information detailed in this section.

The Technical annex must answer the following questions:

- **WHAT** activities are exactly planned?
- **WHY** do you want to carry out these particular activities?
- **WHO** will carry out/ take part in the activities?
- **HOW MANY** people are involved and what is their role?
- **WHEN** and **WHERE** will the activities take place? Indicate the month, i.e. MO-M1-M2-M3, etc.
- **WHAT** are the expected results from these particular activities? Indicate concrete outputs and deliverables
- **WHAT** are the risks involved and are the envisaged mitigation strategies?

Evaluators will assess whether the project will be able to deliver the indicated results through these particular activities and how relevant they are for the objectives and priorities of the CIPS/ISEC Programmes. All specified activities must be consistent with the costs identified under each budget heading of the Forecast Budget (Sheet 3 of Part B – Budget Form) and in Part C - Timetable.

Furthermore, this Technical Annex will form part of the Grant Agreement under Annex I and must therefore be as detailed as possible.

4.6. Part E – Simplified Financial Sheets

The completion of the Simplified Balance and Simplified Profit and Loss Account sheets is obligatory for ALL Applicant organisations/coordinators, except for public entities as defined in this Guide. The financial data introduced in these sheets must be in coherence with the financial statements attached to the application package (Annex 9). The year "N" is the last closed financial year of the entity.

²⁴ In accordance with 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 engaged as public authorities

5. GUIDELINES FOR PROJECT MANAGEMENT

5.1. General remarks on Operational Management

Each organisation has its own management culture, which the European Commission respects as long as it is not discriminatory or otherwise contrary to the principles and values of the CIPS/ISEC Programmes. Whichever the system of management chosen, a high degree of transparency and accountability is expected.

The Grant Agreement, including its six Annexes, is legally binding. This means that the Applicant organisation/coordinator, the partner organisations involved, project activities, location(s), budget, length and schedule of the activity, etc. cannot be changed, save for exceptional reasons that are duly justified and with the prior written approval of the Commission services and, where necessary, an amendment of the Grant Agreement.

Unauthorised changes in any of these key aspects, as well as partial implementation of planned activities, may prompt the European Commission to terminate the Grant Agreement and to request the reimbursement of the pre-financing payment or to lower the percentage of co-financing.

Emphasis must be placed on achieving the expected results and objectives rather than merely on the implementation of the activities (activities are ways of getting results). If, for any reason, a proposed activity can no longer deliver the expected results, or if the results have already been achieved, the activity should not be implemented.

Where a change would improve the effectiveness or the efficiency of the CIPS/ISEC project, such change may be proposed to the Commission. In every case, a reasoned request must be sent to the Commission services, which have to authorise the changes before they are implemented. The Commission will not agree to any change that would alter the nature of the project, nor any unnecessary departure from the proposal on which the award decision was based.

Please ensure that all correspondence bears **the reference number of your CIPS/ISEC project**, which you will find in the confirmation receipt received from PRIAMOS. The Coordinator shall inform the Commission of any changes in its contact details.

5.2 Monitoring and Evaluation

5.2.1 By the Beneficiaries

Evaluation should be considered and set up when the project is designed. There are many different kinds of evaluation, and good projects often use a combination of several different kinds. Internal evaluation of different elements of the project – done by the organisations involved, the target groups and the beneficiaries (ideally a combination of all these) can take the form of pre- and post-testing (for example, at the beginning and end of a training course, to measure improvement in understanding or knowledge), formal feedback (for example through questionnaires to see whether the methodology engaged those participating), informal feedback (for example through a comments section on a website to allow people to comment freely on the project outputs), in meetings (for example through partners' evaluation of whether communication has been smooth and deadlines have been met).

Beneficiaries of CIPS/ISEC grants shall make sure that appropriate internal and external monitoring and evaluation is conducted during the implementation of the project.

5.2.2 Mid-term Reporting Obligations

The conditions regarding the mid-term reporting obligations are included as Annex III of the Grant Agreement.

The scanned version of the duly completed and signed **mid-term Progress Report** referred to in Article I.6.1 of the Grant Agreement must be sent **by e-mail** at the latest by **project mid-term**, to your responsible project officer in the Commission and **to the CIPS/ISEC Programmes' functional mail box: home-cips@ec.europa.eu or home-isec@ec.europa.eu.**

The reporting period for the Progress Report runs from the start date of the project until one month prior to the submission date of the report.

The Progress Report (word) can be downloaded from the CIPS or ISEC webpages:

http://ec.europa.eu/home-affairs/funding/cips/funding_cips_en.htm

http://ec.europa.eu/home-affairs/funding/isec/funding_isec_en.htm.

5.2.3 By the Commission

When signing the Grant Agreement, Beneficiaries automatically agree to cooperate with the Commission services or parties acting on behalf of the Commission during their monitoring visits or audit missions.

In addition to the internal monitoring and evaluation activities carried by the implementing organisations themselves and described in the project, the Commission may organise external monitoring evaluation missions or audits of the projects co-funded by the CIPS/ISEC Programmes to ensure proper project implementation. **The Coordinator is responsible for providing all the necessary documents**, in the event of monitoring visits, checks or evaluations, as described the Grant Agreement.

Monitoring visits are announced in advance and are often done by a team of people led by the CIPS/ISEC Programme Managers and Financial Officers. These visits focus normally on the project's progress and budget execution.

5.3 Audits by the Commission

Annually, the Commission services carry out audits on a sample of CIPS/ISEC grants. As in the case of the monitoring missions, audits generally involve an on-site visit to the organisation implementing the project. Audits can be conducted *ex ante* – i.e. taking place before the Commission issues the final payment - or *ex-post*, i.e. after the final payment has been made. **Audits can take place at any time during the implementation of the project, the lifetime of the Grant Agreement and up to five years following the date of payment of the final balance (or the recovery order, once the final grant has been calculated).**

Therefore, all expenditure supporting documents must be carefully kept during this period. As stated above, **the Coordinator is responsible**, in the event of audits, for providing all the necessary documents, originals or certified copies of the original supporting documents. Essentially, the aim of audits is to obtain sufficient evidence that the systems in place were adequate to ensure the regularity of expenditure and the accuracy and completeness of the financial and other information that led the Commission services to award the grant and make the subsequent payments.

Furthermore, audits ensure that the expenditure claimed is indeed eligible and in accordance with the budget estimate. This testing usually involves documenting systems by means of interviews with the relevant staff and reviews of documentation, together with tests of how the systems operate.

The main conclusions of the audit mission, the possible weaknesses identified and the recommendations to address them are set out in the audit report. Major errors or systemic weaknesses are discussed with the beneficiary during the audit, both to alert him of the need to take urgent action to correct matters and to allow discussion of the action necessary.

Auditing missions may reveal that an operation has not been carried out, or has been carried out in a manner not in accordance with the Grant Agreement or that costs are not eligible, and hence that at least some of the EU funds unduly paid to the Beneficiaries ought to be recovered. In such a case, the Commission could request the total or partial reimbursement of the amounts already paid to the Beneficiaries.

In order to permit a complete, true and fair verification that the CIPS/ISEC project and the grant are (or have been) properly managed and performed, Beneficiaries are required to:

- Keep the accounts for the CIPS/ISEC project and appropriate documentation related to the Grant Agreement (and in particular related to the costs and time reported in the financial statements) for at least 5 years after the date of the final payment
- Make available directly to the Commission all the detailed information and data that the Commission or any representative authorised by it requests
- Ensure that the Commission's services, and/or any external body(ies) authorised by it, have on the spot access to all documentation at the moment of the audit and, if so requested, that data be handed over in an appropriate form.

Audits may be carried out by:

- The Commission's own departments – including OLAF – or any of its duly authorised representatives (including external auditors appointed by the Commission).
- The European Court of Auditors (by its own departments or by any of its duly authorised representatives).

On the basis of the conclusions of the audit, the Commission may take all appropriate measures it considers necessary.

5.4. Visibility of EU Funding

Any communication or publication by the Beneficiaries collectively, or any one of the Beneficiaries individually about the CIPS/ISEC project, including at a conference, training, website, etc., shall indicate that the project has received funding from the EU and in particular from the CIPS/ISEC Programmes. Applications must propose ways to “replicate” the outcome and success of their project in other EU countries and to disseminate and exchange information at European level about their actions (materials, conclusions, lessons learned, etc.). They must contribute to the advancement of knowledge or expertise on future European policy issues, and at the same time, be consistent with established EU policy. Dissemination must be aimed at raising not only the visibility of the project itself, but also of the CIPS/ISEC Programmes.

Moreover, any communication or publication by the Beneficiaries collectively or any one of the Beneficiaries individually, in any form and medium, shall indicate that the sole responsibility of the content lies with the author and that the Commission is not responsible for any use that may be made of the information contained therein.

The relevant publicity requirements are set out in Article II.5 and Annex VI of the Grant Agreement.

Evidence of implementation of activities undertaken in compliance with these requirements must be provided with the final reporting documents, otherwise the Commission will not co-finance the costs linked to communication and publication activities/materials/documents.

The Coordinator must therefore ensure that:

- a) all documents, including any attendance or other certificate, concerning the CIPS/ISEC project include a statement indicating that the project is co-financed by the CIPS/ISEC Programmes;
- b) equipment and any other material co-financed by the European Union display the EU logo which should be of the same size and have the same prominence as the logo of the Beneficiaries.

Statement to be used for CIPS:



***With the financial support of the Prevention, Preparedness and Consequence Management of Terrorism and other Security-related Risks Programme
European Commission - Directorate-General Home Affairs***

Statement to be used for ISEC:



***With the financial support of the Prevention of and Fight against Crime Programme
European Commission - Directorate-General Home Affairs***

5.5. Financial Management

The financial management of a project co-funded by the CIPS/ISEC Programmes must cover the entire estimated the budget and all the costs incurred.

Bank Account

The account specified in the Grant Agreement and into which the grant will be paid must be:

1. In the name of the Coordinator organisation (personal accounts are not acceptable under any circumstance);
2. Specific to the project (alternatively, in the case of a general account, the Coordinator must set up an analytical accounting system allowing both expenditure and revenue connected with the project to be identified);
3. In the country where the Coordinator is established or in the place of implementation of the action;
4. Structured in order to make it possible to identify funds paid by the Commission.
5. Identified by the IBAN Code²⁵.

The funds paid to this account shall yield interest or equivalent benefits under the law of the State on whose territory the account is opened. Such interest or benefits shall, if they are generated by pre-financing, be deducted from the payment of the balance or recovered by the Commission.

The Coordinator shall declare the interest when submitting the request for final payment. This obligation is lifted for public entities.

Accounting system/internal control

The Coordinator organisation must set up an analytical accounting system or an adequate internal system, which makes it possible to identify:

- the sources of the CIPS/ISEC project funding
- CIPS/ISEC project expenditure incurred during the contract period by the Coordinator, its Partners and/or third parties.

All transactions in the contract period relating to actual expenditure/income under the CIPS/ISEC project must be recorded systematically using a numbering system specific to each EU project. The entries into the accounting system (general ledger) of the organisation should be kept for all cost and cross referenced to the relevant supporting documents.

The Coordinator organisation must keep these accounting records as well as all proof of expenditure (all Beneficiaries' invoices, receipts, staff contracts, etc.) for at least 5 years after the date of the payment of balance.

Terms of payment

Payment arrangements and dates will be laid down in the Grant Agreement. However, for the information of the Beneficiaries and to allow them to plan their budgets, it can be stated that financial transfers will typically be made as follows:

- a pre-financing payment of 80% within 45 days of the date of the signature of the Grant Agreement by both parties
- the payment of the balance 90 days after receipt of a formal request (within 3 months of completion of the project) and approval by the Commission of a final report and a final statement of expenditure.

5.6. Administrative Management – Amendments to the Grant Agreement

Although any Grant Agreement should be sufficiently detailed and precise to cover all the events that may occur during its life cycle, there may sometimes be a need to face a new situation, which necessitates an amendment to the Grant Agreement. If an amendment to the Grant Agreement is required, the Authorised Signatory of the Coordinator organisation must submit a written request to the Commission in

²⁵ The IBAN (International Bank Account Number) is an account number "formatted" in accordance with international standards which is used in particular for cross-border transactions between European countries by the banks.

good time, before the change is due to take effect and in all events two months before the end date of the project.

Any amendment to the Grant Agreement must be the subject of a signed written supplement to the agreement concluded between the parties. No verbal agreement or exchange of e-mails may bind the parties to this effect. Furthermore, the supplementary agreement may not have the purpose or the effect of making changes to the Grant Agreement which might call into question the decision awarding the grant or result in unequal treatment of Applicants under the CIPS/ISEC Calls for Proposals within the framework of which the grant was awarded.

The Coordinator is strongly advised to collect the possible requests for amendments into one request. Proper planning is essential to avoid numerous amendments to the Grant Agreement which should remain limited throughout the project life cycle.

Depending on the case at hand, one of the following two procedures must be applied: either a formal amendment document in contractual form (normal amendment) or an amendment by exchange of letters. In both cases, this is an amendment to the initial Grant Agreement and the Authorised Signatories of the Coordinator organisation and the Commission must sign the amendment. Both types of amendments have the same legal effect, but differ as to the procedure.

Amendment by exchange of letters is used for changes of minor nature, with the following procedure: The Authorised Signatory of the Coordinator organisation sends to the Commission a dated letter requesting an amendment with a clear reference to the Grant Agreement and the applicable supporting documents. The Commission sends a response by letter to the Authorised Signatory rejecting or accepting the amendment. If the request for amendment is accepted, these two letters together constitute an amendment by exchange of letters.

A normal amendment constitutes a heavier procedure and is therefore used in exceptional cases. The Authorised Signatory of the Coordinator organisation sends to the Commission a dated letter requesting an amendment with a clear reference to the Grant Agreement and the applicable supporting documents. If the amendment is accepted by the Commission, an amendment to the Grant Agreement (two originals) is prepared and sent back to the Coordinator, who has to return both originals of the agreement amendment, duly signed by its Authorised Signatory within twenty calendar days from the receipt of the documents.

An **amendment request does not presuppose its acceptance by the Commission**. All amendment requests are examined **in the light of time efficiency and added value** for the project's outcome.

Changes in staff

Any changes in the list of persons and of functions planned in Heading A - Staff must be notified in writing to the Commission. Depending on the importance of the changes, the Commission will decide on the need for an amendment and which procedure to apply.

The table below provides some **examples of the changes** that require an amendment to the Grant Agreement and the two applicable procedures.

#	Nature of modification	Normal amendment	Amendment by exchange of letters	Documents to be submitted along with the request for an amendment
1	Change of legal representative (Authorised Signatory) or legal address of beneficiary		x	Formal request signed by the new Authorised Signatory and copy of the decision accompanied by the supporting documents
2	Change of contact person or mailing address		x	Formal request signed by Authorised Signatory indicating the former and appointing the new address/contact person

3	Change of bank account		x	Formal request signed by Authorised Signatory and new Financial Identification Form
4	Change of name, change in legal personality of beneficiary (merger, split, takeover, reorganisation)		x	Formal request signed by Authorised Signatory and new Legal Entity Form together with all supporting documents
5	Addition or replacement of beneficiary Redistribution of tasks	x		Formal request signed by Authorised Signatory justifying and explaining the need for change - Original(s) Mandates, duly completed and signed by the new Partner(s) -Original Partnership Declaration(s) duly completed and signed by the new Partner(s) - Legal Entity Form together with all supporting documents - Updated Annexes I and II
6	Extension of the project duration / change in starting date	x		Formal request signed by Authorised Signatory justifying and explaining the need for extension/change - Updated Part C - Timetable - Updated Annex I (if required)
7	Modification of Annex II	x		Formal request signed by the Authorised Signatory justifying and explaining the need for modification explaining in details the proposed changes - Updated Annex II ²⁶
8	Substantial change(s) regarding Annex I (objectives, content of project, core staff, i.o.w. changes affecting the selection of the budget)	x		Formal request signed by Authorised Signatory justifying and explaining the need for modification explaining in details the proposed changes - Updated Annex I
9	Non-substantial change(s) regarding Annex I (meeting venue, number of meetings, i.o.w. changes not affecting the selection of the budget and with no or minor budgetary impact)		x	Letter signed by the Authorised Signatory justifying and explaining the need for modification explaining in details the proposed changes - Updated Annex I

In addition to these examples, please refer to the Grant Agreement for the conditions under which an adjustment of Annex II is not subject to an amendment. The Coordinator shall inform the Commission of any changes in its contact details necessary for good administration of the Grant Agreement.

Request for amendments less than two months prior to the end date of the project will not be accepted.

Any request for an amendment in respect of activities already implemented will not be accepted.

²⁶ This must be read in conjunction with Art. I.4.4 of the Grant Agreement

5.7. Reporting Obligations at Project Closure

5.7.1 Final Reporting Documents

The conditions regarding the reporting obligation are included as Annex IV of the Grant Agreement.

Payment of the balance and the final calculation of the grant shall be made after the checking and acceptance of the final report and supporting documents listed in Annex IV.

In order to ensure that the results of the projects are presented in a comparable manner, the European Commission provides **templates for the reporting documents** (except for the bank statement of the amount of interest earned on pre-financing) which are available on the CIPS/ISEC Programmes' websites.

Unless otherwise stated in the Grant Agreement, the **final reporting documents** must be submitted **in paper in duplicate (1 original and 1 copy) AND in electronic format within three months** following the end date of the project as specified in Article I.2.2 of the Grant Agreement.

1. The **Technical Implementation Report** must be precise, correctly completed using the existing template; all questions must be answered; duly signed and dated by the Authorised Signatory.
2. A **summary** of maximum two pages in English (Word document) summarising the objectives, the target groups, the activities (what and where) and the achievements of the project
3. All the **deliverables** produced within the framework of the CIPS/ISEC project, **such as reports, surveys, CD-ROMs, DVDs, agendas, signed attendance lists, etc.**
4. The **Detailed Budget Execution Sheet (Sheet 5 of Budget Form)**. This sheet is for entering the data on the actual implementation of the project both in terms of expenditure and income. The encoding has to follow the same logic and order as in the Forecast Budget (Sheet 3 of the Budget Form). Please use the same budget headings, objectives, actions and descriptions. At this stage, it is important to insert the **real incurred costs and the real income**, no estimates, no lump sums, no flat rates (except for the indirect costs)!

In addition to the forecasted budget, this sheet has a column for inserting the beneficiary's accounting reference. This accounting reference can be an exact entry in the accountancy or an analytical reference making it possible to consolidate information, in order to facilitate its analysis. In case of an audit, this reference is part of the audit trail.

Also the pre-financing payments received from the Commission should be included under the Budget Heading J.

Budget Heading H is used to declare the interest generated by the amount(s) received as pre-financing (if applicable). This interest is not included in the calculation of the grant as income but is deducted from the final amount of the grant.

The columns L, M, N, O, P and Q are reserved for the Commission to analyse the beneficiary's statement and to indicate the rejected amounts which are not considered eligible, as well as the amounts not eligible but accepted for the calculation of the **no-profit rule**. **Please do not write or change anything in these columns.** The Commission grant may only cover the remainder of the costs necessary for the project implementation. Consequently, the total revenue related to the project is deducted from the total amount of accepted expenditure. Where there is a surplus, the contribution of the beneficiary/ies is reduced. If the surplus is higher than the beneficiary's/beneficiaries' own contribution, the rest of the profit shall remain with the EU, meaning that the EU grant will be reduced up to the balancing figure between accepted costs and other income. The calculation of the no-profit rule results in the amount "C" (cell G26) in the Budget and Execution Summary Sheet (Sheet 4 of the Budget Form).

If relevant, the Commission inserts an explanation on specific lines, in order to facilitate the beneficiary's understanding of the Commission's position and identifying the amounts retained as ineligible, and as accepted or not.

In the Budget and Execution Summary Sheet (Sheet 4 of the Budget Form), the amounts are automatically inserted and consolidated by budget heading/item. It provides the amounts of the estimated, declared, eligible and accepted expenditure. It also enlists the estimated and declared income. It further shows the final calculation of the amount of the grant and of the final payment or reimbursement. This sheet is write-protected.

5. **The Cost Claim (Sheet 6 of Budget Form).** This sheet is in fact the final payment request to be completed by the co-ordinator. By default, the information introduced in Sheet 1 'ID Form' is copied to this sheet. Similarly, the amount of the final payment (cell I19) and the interests yielded by the pre-financing payments (cell I21) are copied from Sheet 4 **Budget & Execution Summary**. The declaration regarding the VAT-status must be encoded by the co-ordinator. Finally, the legal representative of the co-ordinator has to date and sign this **Cost Claim** Sheet and send the original paper copy by postal mail or courier to the Commission.

6. An **external audit of the accounts** (i.e. a certificate on the action's financial statements and underlying accounts for each EU grant amount exceeding 100 000 EUR per beneficiary), produced by an approved auditor/a competent and independent public officer (in the case of public bodies), if requested in the Grant Agreement. Its purpose is to certify that the submitted accounts are sincere, reliable and substantiated by adequate supporting documents.

5.7.2 Analysis of the Cost Claim for Final Payment²⁷

In order to allow a proper analysis of the Cost Claim, the Commission may require the supporting documents, either partially or totally (invoices, staff pay slips, proofs of payment, bank statements, other proof of payment corresponding to the items stated in the ledger and the budget of the project, etc.).

These supporting documents must then be sent within 30 calendar days after the receipt of the request from the Commission services. It must be noted that, when the Commission requires such documents, the normal period of 90 days for approval of the Technical Implementation Report and Cost Claim for Final Payment is suspended.

As regards the supporting documents that might be asked to be submitted, the following conditions should apply:

Supporting documents may only be submitted as copies. Only invoices relating to the period covered in Article I.2 of the Grant Agreement are accepted. If an invoice is dated after this period, the Coordinator must prove that the delivery of the service took place during the period covered by the CIPS/ISEC project. This facility can only be used for certain supplies, translations and publications costs, whereas **staff costs, travel and subsistence expenses, depreciation of equipment must have been incurred during the CIPS/ISEC project period.**

The Commission reserves the right to further suspend the normal period of 90 days for approval of the Technical Implementation Report and Cost Claim for Final Payment, if these and other documents (summary, deliverables, audit report etc.) are not correct or missing. The countdown resumes when the Commission has received the requested information.

The Commission also reserves the right to suspend or reduce the payment of any outstanding balance, or to require refunding of the pre-financing, if the form and/or content of the Technical Implementation Report and the Cost Claim or any other documents requested do not conform to the rules of the Grant Agreement. In particular, payment of non-eligible expenses or undue VAT or other taxes will be refused.

Once the Technical Implementation Report, Cost Claim for Final Payment and other requested documents have been verified, the Commission will issue the corresponding final payment order or a recovery order to recover funds undue from the Coordinator.

Transfers of amounts exceeding 10% from a budget heading to another and inclusion of new cost items without prior consent of the Commission will not be accepted.

5.7.3 Supporting documents for Staff costs

Documents to be provided:

- a table with **a break down of all project staff** by names, worked time, employment status (full or part time), "working time status" (options 1-2-3-4) – must be in total coherence with the

²⁷ For FPs: costs incurred by partners are only considered eligible if they have been re-invoiced to the Coordinator and appear in its accounts.

- expenditure in the Forecast Budget (Sheet 3 "Forecast Budget Calculation") and the Detailed Budget Execution (Sheet 5 of Budget Form)
- a copy of the **employment contract** for **each project staff member** indicating duties, working hours, employment status and salary
 - **timesheets** for **each project staff member**, indicating working hours and activity/tasks performed for the CIPS/ISEC project, signed and dated by employee and employer
 - a copy of the **salary slips or payrolls** of **each project staff member** for each month worked on the CIPS/ISEC project
 - a copy of the documents proving amounts of **employers' tax and social contributions** paid in addition to the gross salary of **each project staff member**
 - a **proof of payment** through a bank account of **the salaries, the tax and social contributions paid for each project staff member**
 - a proof of payment (through a bank account) of overtime/extra working hours, in case of **Option 2**
 - a copy of the **secondment decision (public officials)/letter of assignment (NGOs, profit-making entities)** stating the name, function, daily rate, working hours and tasks of the permanent employee seconded to the CIPS/ISEC project, as well as the name and function of the person newly employed to replace the seconded person for his/her regular duties, in case of **Option 4**

Timesheets

The timesheets should be signed by the project staff member who performed the work, certified by his/her hierarchical supervisor and the person responsible for the implementation of the CIPS/ISEC project for which the work input by the project staff member was required (if applicable).

Time-sheets must meet at least the basic requirements indicated below:

- Full name of the organisation/service concerned
- Full name and signature of the project staff member concerned
- Full name and signature of hierarchical superior of the project staff member
- Title of the CIPS/ISEC project as indicated in the Grant Agreement
- CIPS/ISEC project reference number
- Time period concerned
- The activity of the CIPS/ISEC project which required the work input
- Number of hours claimed on the project. **It must be possible to verify all hours claimed in a reliable manner.**

5.7.4 Supporting documents for Travel expenses

Documents to be provided:

- a copy of the invoice for flight or rail tickets stating name of passenger, date of travel and itinerary; proof of payment
- a copy of flight or rail tickets, including boarding passes
- travel expenses by private car: a copy of the reimbursement claim made to the Coordinator organisation/Co-beneficiary, up to the cost of the first-class rail fare. The Coordinator is asked to indicate the equivalent rail fare for this journey
- proof of payment or of reimbursement to the participant, if the ticket was purchased directly by him (payment through bank account, unless the Commission has authorised other forms of payment)
- a copy of the attendance list dated and signed by all participants.

5.7.5 Supporting documents for Subsistence expenses

The daily allowance includes all costs (hotel, meals, local transport, taxis etc.). Costs are reimbursed on the basis of actual costs or in justified cases of per diems, but always within the maxima amounts set by the Commission in the table under section 4.3.2.2.

Documents to be provided:

- the attendance list of the meeting held, signed by all participants;

- invoices with name of the person, date of stay, cost per night, excluding telephone and minibar expenses, if hotel invoice;
- invoices with number of meals, if restaurant;
- all dated receipts for local travel (taxi, train, bus), parking etc.;
- proof of payment or reimbursement in every case (payment through bank account).

5.7.6 Supporting documents for Equipment expenses

Documents to be provided:

- copy of invoice
- apply the depreciation rate in accordance with the national tax and accounting rules applicable to the beneficiary. The date of purchase determines the eligible period of depreciation
- copy of proof of payment(s)
- the fixed asset register can be requested in order to prove that the equipment has been put in use.

5.7.7 Supporting documents for Subcontracting expenses (incl. consultants)

Documents to be provided:

- relevant rules on public procurement including procedural reports and decisions
- copies of the requests for offers sent out
- offers/bids
- the contract which must include: information on the services provided (including the terms of reference), the start and end dates of the contract, the price (breakdown and description of costs), timetable, and payment arrangements (one or more advance payments, staggered payments, etc.)
- proof of payment.

Maximum 30% of Total eligible costs of the project ²⁸

External service providers (interpreter, translator, hostess, speaker, researcher)

- a copy of the contract or invoice indicating task, date and hours, rates and amount to be paid
- proof of payment: bank transfer.

For translator and interpreter, always specify in the invoice language(s) covered, length of the text translated (words/ lines or pages), number of interpreters, duration of the interpretation task, rate per day/hour.

Supporting documents for all other expenses

- copy of invoices
- copy of proof of payment(s).

The list of supporting documents listed above is not exhaustive

5.7.8 Indirect eligible costs - Overheads

You will not be required to justify the total amount, but bear in mind that the type of costs covered through overheads cannot be claimed under any other heading. Indicate the percentage agreed in the contract and apply it to the total eligible costs.

Up to maximum 7% of total eligible direct costs of the project, AND maximum €50 000 for the whole project (NOT per beneficiary), AND up to maximum 15 % of total eligible staff costs per beneficiary
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²⁸ Except PNR Targeted Call and Calls for Proposals restricted to FPs under ISEC