

Guide for Applicants

"PREVENTION, PREPAREDNESS AND CONSEQUENCE MANAGEMENT OF TERRORISM AND OTHER SECURITY RELATED RISKS"

European Commission

Directorate-General
Justice, Freedom and Security
Directorate F - Security



CIPS ACTION GRANTS 2009

DISCLAIMER

The aim of these guidelines is to help Applicants. In the case of differences between the provisions of this text and those of the Annual Work Programme, the Call for Proposals and the Grant Agreement, it is the latter three 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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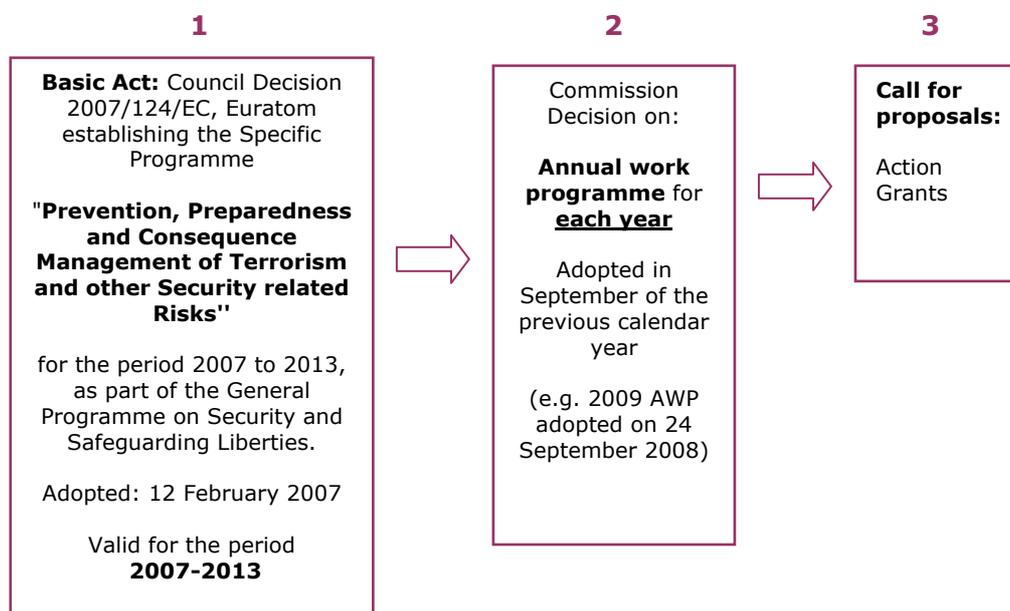
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1. INTRODUCTION

1.1. Background

On 12 February 2007, the Council adopted Decision 2007/124/EC, Euratom, establishing the Specific Programme "**Prevention, Preparedness and Consequence Management of Terrorism and other Security related Risks**" for the period 2007 to 2013 (hereinafter called the **CIPS Programme**), as part of the General Programme on Security and Safeguarding Liberties.

The **Programme** is implemented via an Annual work programme (hereinafter referred to as the AWP) adopted by the European Commission each year. The AWP describes the priorities set for that particular year and contains details of the financial appropriations earmarked for the various grant schemes.



1.2. Who manages the Programme?

The Programme is implemented by the European Commission, Directorate-General for Justice, Security and Freedom (DG JLS) based in Brussels – Belgium. The operational tasks related to the implementation of the Programme are assigned to DG JLS, Directorate F – Security, Unit F4 Financial Support.

1.3. How to contact the Programme?

The postal address of the Programme is:

European Commission
Directorate-General for Justice, Freedom and Security
Directorate F - Security
Unit F4: Financial Support
Office LX46 06/020
B-1049 Brussels

The Programme can be contacted via its functional e-mailbox: JLS-CIPS@ec.europa.eu.

Please always consult the Call for Proposals for specific instructions on how to submit a grant application.

1.4. Website of the Programme

Information relating to the Programme and all important documents are published on the website of the Programme, which is available on the general website of DG JLS at the following address:

http://ec.europa.eu/justice_home/funding/cips/funding_cips_en.htm

In addition to this Guide, it is strongly recommended that interested persons should consult the website of the Programme regularly. The Calls for Proposals (CFPs) are typically available on the **right-hand side of the page**. The documents provided to Applicants (templates, Application form, Budget Estimate form, etc.) are also available for download under the heading **Documents for applicants**, in a format which is ready to be completed.

1.5. Purpose of this Guide

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

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**)¹ and on its rules for Implementation (hereinafter referred to as **Implementing Rules IR**)², as well as on other relevant documents.

1.6. How to use this Guide?

Before you start, please read the 2009 CIPS Call for Proposals and the 2009 CIPS Annual work programme carefully to find out which actions may be funded, the priorities set out for 2009, the conditions under which you can apply and the eligibility, exclusion, selection and award criteria. **The 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 changes in the project or its budget;
- Periodicity of payments;
- 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 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 JLS-CIPS@ec.europa.eu. Please indicate "Guide for Applicants 2009" in the title of your email.

¹Council 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).

²Commission 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).

2. DEFINITION OF FREQUENTLY USED TERMS AND ABBREVIATIONS

Annual work programme (AWP): on 12 February 2007 the Council of the European Union adopted Council Decision 2007/124/EC, Euratom³ establishing for the period 2007 to 2013, as part of the General Programme on Security and Safeguarding Liberties, the Specific Programme "**Prevention, Preparedness and Consequence Management of Terrorism and other Security related risks**". The CIPS Programme is implemented via Annual work programmes adopted by the European Commission each year.

Applicant organisation (the Applicant): any body or organisation with legal personality submitting a proposal for a project within the scope of the CIPS programme. The Applicant becomes the "**Beneficiary/Coordinator**" once the proposal is awarded a grant and a written Grant agreement is signed.

Associate Partner: where justified by the objectives and nature of the project, organisations from candidate countries or other countries or international organisations which are not participating in the CIPS programme may be associated to the project.

Authorising officer (AO)/by delegation (AOD)/by sub-delegation (AODS): the term 'authorising officer' refers to the entity responsible for the overall implementation of a Community financial programme. In the case of grant schemes directly managed by the European Commission, it is the European Commission that performs the duties and tasks of the authorising officer. For operational purposes, and in accordance with the provisions of the FR and the IR, the actual individual duties and tasks are delegated/sub-delegated, depending on the task, to a senior European Commission official. The authorising officer by delegation of the CIPS Programme is the Director General of DG JLS. The authorising officer by sub-delegation is the Director of Directorate F – Security implementing the CIPS Programme or the Head of Unit F4 directly performing the daily operational tasks.

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 has been compulsory for a number of years for the purposes of making automated payments via the SWIFT system. In order to create a BAF, the Applicant 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/execution/ftiers_en.htm.

Beneficiary: 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 all referred to as (co-)beneficiaries once the Grant agreement is signed. The Applicant organisation is called "**Coordinator**", whereas a Partner organisation is referred to as "**Co-beneficiary**". Only the Coordinator organisation is party to the Grant agreement and is responsible for the day-to-day co-ordination and management of the project, including the distribution of the Community funds granted under the terms of this project to other Partners/co-beneficiaries.

Budgetary Authority: The Council of the European Union and the European Parliament.

Call for Proposals (CFP): in order to receive applications, the European Commission is publishing a Call for Proposals which describes the rules and conditions to be observed by Applicants when seeking Community co-financing for an action.

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.

Co-financing third parties: any donor organisation financing the project and not in receipt of the Community contribution. Co-financing third parties are not required to be directly involved in the technical implementation of the project; their contribution is solely financial.

³Official Journal, L 58 of 24.2.2007, p.1 available on : http://ec.europa.eu/justice_home/funding/intro/funding_intro_en.htm.

Dependent organisations: 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 JLS: the abbreviation used to identify the Directorate-General for Justice, Freedom and Security of the European Commission.

EC/Commission: the abbreviation used to identify the European Commission.

Legal Basis of the Programme/Basic Act: Council Decision 2007/124/EC, Euratom establishing for the period 2007 to 2013, as part of the General Programme on Security and Safeguarding Liberties, the Specific Programme "**Prevention, Preparedness and Consequence Management of Terrorism and other Security related Risks**".

Legal Entity File (LEF): records all third parties with which the 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 has to submit a duly completed and signed Legal Entities Form. More information on LEF is available on the website of Directorate-General Budget: http://ec.europa.eu/budget/execution/legal_entities_en.htm

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

A proposal submitted without the official involvement of a Partner organisation (no Partnership declaration attached), but which is nonetheless genuinely transnational in nature, will be automatically considered as a transnational project, and the conditions laid down for transnational projects will be applied.

Conferences, meetings, workshops or other events of a similar nature involving participants from more than one Member State/candidate country or involving individual experts/professionals from another Member State/candidate country can also be considered as a national project. Research activities covering more than one Member State which can be implemented by the Applicant without the active contribution of another organisation can also be considered as a national project.

Partners: all the bodies or organisations participating in the submission of a proposal for a transnational/national project; Applicant and Partner organisations, except co-financing third parties.

Partner organisation: a body or organisation not submitting the project proposal directly but participating in the submission and in the implementation of the transnational/national project. Natural persons cannot be considered as a Partner organisation.

The European Commission considers a body or organisation to have the status of Partner organisation for a project if the entity signs a **Partnership Declaration**. Non-EU entities which are associated to the project, and cannot not receive Community co-financing to cover their costs, are designated as Associate partners.

Partnership Declaration: a legally binding document duly signed and dated by the representative of the Partner organisation authorised to enter into legal and financial commitment on behalf of the Partner organisation.

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

Public/Private organisation: For the purposes of this specific Programme the following organisations are considered to be public: Member State authorities (local, regional, national or federal), ministries, local municipalities and public universities. Other organisations shall be treated as private, regardless of whether they were constituted under private or public law.

Transnational projects: projects that involve Partner organisations in at least two Member States (Applicant established in one MS and at least one Partner organisation established in a different MS or candidate country). Transnational projects should be truly transnational in nature and should entail activities involving participants from, or have activities located in, at least two Member States or at least one Member State and one candidate country.

Subcontractor(s): subcontractors are providers of services to the Beneficiaries (Applicant/Coordinator and Partners) who fully fund (100%) their activity. As a basic requirement, Applicant/Coordinator and Partner organisations 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.

Subcontracting costs shall be clearly listed in the Budget Estimate form submitted for the action, and under no circumstances are Applicant and/or Partner organisations 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.

3. HOW TO APPLY

2009 is a transitional year in the implementation of the financial programmes managed by DG JLS. The implementation of the financial programmes will be facilitated by [PRIAMOS, a new electronic grant management system](#), and only certain programmes will be implemented via PRIAMOS.

The CIPS 2009 Call for Proposals for Action Grants will not be implemented via PRIAMOS, but using the traditional paper-based system. Therefore, applications shall be **SUBMITTED ON PAPER**.

3.1. Where to send the applications?

Applications must be received in a sealed envelope sent either **by registered mail or by courier service**, to the address indicated below:



European Commission
Directorate-General Justice, Freedom, Security
Directorate
Unit F4 Security - Financial support
Programme "Prevention, preparedness and consequence management of terrorism and other security-related risks" CIPS
Call for proposals/ Action grants 2009
Office LX-46 6/020
B-1049 Brussels

or by hand-delivery to:



European Commission
Directorate-General Justice, Freedom, Security
Programme "Prevention, preparedness and consequence management of terrorism and other security-related risks" CIPS
Call for proposals/Action grants 2009
Office LX-46 2/020
Mail Department
Avenue du Bourget 1
B-1140 Brussels-Evere

Applications sent to the wrong address **will not be** accepted. Please note that, for security reasons, **no hand delivery is accepted at the visiting address** of DG JLS.

3.2. What is the Deadline for submission?

Applications must be sent either by registered mail or by courier service, posted or dispatched not later than **27 February 2009 24:00 (local time)** or hand delivered not later than **27 February 2009 15:00 (Brussels time)**, as evidenced by the postmark, or by the date of the deposit slip or the receipt signed and dated by the European Commission official who took delivery.

Regarding the date of submission, NO exception will be granted. In order to be eligible, applications must respect the deadline, even if the submission/receipt date falls on a non-working day in the country of the Applicant organisation.

3.3. Acknowledgement of receipt

Following the opening of proposals, the European Commission will send an acknowledgement of receipt to all Applicants, indicating whether or not the application has met the deadline set for submission, and informing them of the reference number of their application. The template for this letter is attached to the Application form.

3.4. Reference number of proposals

The reference number of a project proposal (JLS/YYYY/CFP/CIPS/XXX) typically consists of the following:

YYYY: year of the CFP under which the application was submitted / registered

CFP: call for proposal

CIPS: programme identifier

XXX: specific identification number given to the project proposal

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

3.5. Proof of posting

It is the responsibility of the Applicant organisation to ensure that the date of sending/dispatching is clearly understandable from the postmark or carrier slip attached to the application package. The Commission will assess the eligibility criteria relating to the submission deadline on the basis of the information available when receiving the application. The Commission will automatically disqualify applications if the information is not clearly understandable or is missing. Applicants will be notified of the Commission's decision once the application has been registered. However, if the Applicant can demonstrate that the application was sent within the deadline stipulated in the CFP, the application may be considered for further evaluation.

Please note that the Commission is not using the tracking services of postal or courier services. In order to be accepted, the proof of posting must:

1) contain at least the following information:

- **Who?** - Name and address of the sender
- **When?** - Date of sending/dispatching clearly indicating when the postal/courier service received the application package to send/dispatch
- **What?** - Clear reference that the proof of posting relates to the application in question
- **To whom?** - Name and address of the addressee as stated in the CFP

2) be sent within not more than **5 working** days after receiving the acknowledgement of receipt letter from the Commission, in a readable and clear copy via e-mail to JLS-CIPS@ec.europa.eu or on paper to the same address as for the original application.

3.6. Modifying or withdrawing a proposal

Up until the deadline of the CFP, it is possible to modify a proposal simply by submitting a new complete version and requesting in the cover letter that the Commission should consider the later version for evaluation.

In that case, the version received previously will automatically be disregarded. Please note that the previous version will not be processed at all; therefore, the new version must include all the supporting documents.

Only new application packages sent directly by the Applicant organisation will be considered and accepted. Documents and information sent directly from Partners cannot be taken into account unless this has been previously agreed with the Commission.

Once the deadline has passed, the European 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 deadline by sending a registered letter to the same address as for the original application. In such a case, the European Commission ends the evaluation of the proposal and acknowledges its withdrawal.

3.7. Which documents should be submitted?

In order to lighten the administrative requirements for Applicants, the supporting documents will be requested in two phases:

1. APPLICATION PHASE – Documents which contain essential information to enable the assessment of the proposal against the eligibility, exclusion, selection and award criteria.

2. GRANT AGREEMENT PHASE – Documents which are essential for the signing of the Grant agreement in the event that the proposal is found to be worthy of a grant.

1. APPLICATION PHASE - Documents to be submitted:

- (1) the completed **Application form** for Action grants under the CIPS CFP for 2009 (1 original and two copies)

The Application form is only accepted for evaluation if:

- the specific form supplied for CIPS 2009 is used;
- all the sections are completed. If any of the sections are not relevant, they should under no circumstances be left blank; Applicants should write the words "not applicable" in the relevant section. The information requested in the Application form is necessary for the evaluation of the proposal. Applicants should give reasons why a particular section is not applicable in their case;
- all the pages are submitted, regardless of their content;
- it is duly dated and signed by the person authorised to enter into legally and financially binding commitments on behalf of the Applicant. The Application form should be signed by the same legal representative as the one whose name is indicated in section 1 of the Application form. All pages of the Application form must be initialled by the representative of the Applicant organisation;

- (2) the **Budget Estimate form** for Action grants under the CIPS CFP for 2009 (one original and two copies)

The Budget Estimate form is only accepted for evaluation if:

- the specific form provided for 2009 is used;
- it is duly dated and signed by the same legal representative who is indicated under section 1 of the Application form.
- all pages of the form are submitted regardless of their content. Where no expenses are entered under a given budget heading, the default setting "Total costs = 0" should be maintained, but the worksheet should still be printed and included in the application package;
- a detailed breakdown of expected expenditure and revenue of the action is provided.

- (3) **Timetable for implementation** of the project

The timetable is accepted for evaluation only if:

- it is presented on the form provided in annex to the abovementioned 2009 Budget Estimate form
- it has been completed in full;
- it identifies all project activities in detail.

- (4) **Evidence of legal status** of the Applicant organisation

In order to assess the eligibility of the Applicant organisation and the project proposal in accordance with the provisions of the Basic Act, the FR and the IR, the Commission services will verify the

existence and the legal status of the Applicant organisation. The Applicant organisation must provide basic administrative data regarding its existence and legal status, using the Application form under section 1.

In order to support these self-declared data, the Applicant should submit the following documents, depending on its legal status:

- articles of association;
- a copy of any official document (e.g. Official Gazette, Register of companies, Register of charities etc.) showing the organisation's name and address, and the **registration** number given to it by the national authorities. This document should provide proof that the organisation was officially incorporated under national legislation; (the tax registration number cannot substitute for this document, unless receiving a tax registration number is equivalent to registering the entity under the national legislation);
- a copy of the resolution, law, decree or decision establishing the entity in question or, failing that, any other official document attesting its establishment;
- rules/articles of association of the organisation describing its usual activities;
- evidence that the Applicant can enter into financial commitments on behalf of the university (applicable only to universities or university departments).

In the case of doubts concerning the authorised signatory, the European Commission may request from **any** Applicant organisation further documentation to prove that the person is indeed the legal representative.

(5) **Evidence** that the Partner organisations indicated in the Application form are committed to contribute to the project – **Partnership Declaration(s)**

Where the involvement of Partner(s) is a requirement under the CFP, the names of the Partners should be listed in the Application form and the Partners should sign a Partnership declaration by which they commit themselves to the project. Associate partners must also sign a Partnership declaration. In the Partnership declaration, the Partner should indicate its legal status, its usual activities and its precise involvement in the project. If the Partner organisation is contributing financially to the project, the amount of such contribution shall be indicated in the Declaration. One declaration per Partner organisation should be attached to the Application form (paper version). The contribution of the Partner organisation cannot be in kind.

The Partnership Declaration is only accepted if:

- it is submitted by using the **Partnership Declaration template set for CIPS 2009**. Declarations submitted on a template from a different CFP or made in a free format will not be accepted;
- it is **signed and dated** by the representative of the Partner organisation authorised to enter into a legally and financially binding commitment on behalf of the Partner/Associate partner;
- if all the pages of the Declaration are **initialled by this representative**;
- all of the required fields are **completed**;
- the information provided in the Declaration is **identical** to what is mentioned under the relevant sections of the Application and the Budget Estimate forms; **in case of discrepancy**, the Declaration will **not be accepted**;
- the Declaration is submitted in as an ORIGINAL. In duly justified cases, certified paper copies may be accepted. However, the original Declaration must be sent to the Commission, if requested. No grant agreement can be signed without the original Declaration(s).

(6) **Evidence** that the Donor organisation (co-financing third party) is committed to supporting the proposal financially - **Declaration(s) of co-financing third parties**

Where part of the minimum requested own contribution (30% of total project costs) is provided by a third party, the commitment of the donor organisation should be demonstrated at the application phase. The amount of the contribution should be indicated in the Budget Estimate form and the donor organisation should issue a Declaration of co-financing. This Declaration should allow identification of the donor organisation and of the exact amount of financial resources the donor organisation intends to allocate for the purposes of this project. One Declaration per donor organisation should be attached to the Application form (paper version). The contribution of the donor organisation cannot be in kind.

The **Declaration of co-financing third parties** is only accepted if

- it is submitted by using the Declaration of co-financing third parties **template set for CIPS 2009**. Declarations submitted on a template from a different CFP or written in a free format will not be accepted and the planned contribution will not be taken into account when assessing the eligibility of the proposal.
 - it is **signed and dated** by the representative of the Donor organisation authorised to enter into a legally and financially binding commitment on behalf of the Donor organisation;
 - all the pages of the Declaration are **initialled by this representative**;
 - all the required fields are **completed**;
 - the information provided in the declaration is **identical** to what is mentioned under the relevant section of the Budget Estimate form; in case of **discrepancy**, the Declaration **will not be accepted**;
 - the Declaration is submitted as an ORIGINAL. In duly justified cases, certified paper copies may be accepted. However, the original Declaration must be sent to the Commission, if requested. No grant agreement can be signed without the original Declaration(s).
- (7) **the latest signed financial statements** (balance sheet, profit and loss account officially approved by the responsible body of the organisation for the three previous closed financial years), including audited accounts when required under national law.
- (8) an **organisation chart of the Applicant organisation** and an **organisation chart of the project**, together with a **description of the tasks of its staff**, including the **CVs** of staff members responsible for carrying out the project activities.
- (9) the Applicant organisation's **annual activity programme** for 2009 describing the planned activities in detail.

Not required from ministries, law enforcement and judicial authorities, other MS public authorities and public universities.

- (10) an **external audit report** by an approved auditor if the requested grant amount exceeds **€500.000**; this audit report shall certify the accounts of the last financial year available.
- (11) the report describing the **activities** of the Applicant organisation **in 2008 and 2007**.

Not required from ministries, law enforcement and judicial authorities, other MS public authorities and public universities.

- (12) the overall **forward budget for 2009** showing a detailed breakdown of the Applicant organisation's expected expenditure and revenue.

Not required from ministries, law enforcement and judicial authorities, other MS public authorities and public universities.

Applicants are free to provide any other documentation which they consider appropriate in support of their application.

FORMAT of the application package - There is no specific requirement concerning the format of the application package, except that Applicants are requested not to bind the pages of the application package and to send the original set separately from the two copies.

2. GRANT AGREEMENT PHASE – Documents to be submitted, only if the project proposal is put forward for a grant:

1. a copy of the **VAT registration document**, if applicable, and if the VAT number does not appear on the abovementioned official document proving the legal establishment of the Applicant organisation.
2. the **original of the financial identification form**, duly completed, dated and signed by the Applicant organisation, and signed and stamped by the bank where the applicant holds its account. The form is available at the following Internet address: http://ec.europa.eu/budget/execution/ftiers_en.htm.
3. the **original of the legal entities form**, duly completed, dated and signed by the Applicant organisation. The form is available at the following Internet address: http://ec.europa.eu/budget/execution/legal_entities_en.htm.
4. if the grant has co-beneficiaries and the project is to be implemented in partnership, the originals (dated and signed) of the **legal entities form** shall be submitted together with all of its annexes **by each co-beneficiary organisation**. Co-beneficiary organisations do not have to submit a financial identification form, as their bank details will not be included in the Grant agreement.
5. if the grant has co-beneficiaries and the project is to be implemented in partnership, the originals of the completed, dated and signed mandate shall be submitted **by each co-beneficiary organisation**. The **template** of Annex IV of the draft Grant Agreement must be used and is available at the following Internet address: http://ec.europa.eu/justice_home/funding/cips/funding_cips_en.htm.
6. the **originals of the Partnership and Co-financing Declarations**, if applicable.

Applicants must submit all of these forms prior to the signature of the Grant agreement.

3.8. Guidelines concerning the presentation of the proposal

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, while remaining concise;
- concentrate on the key features, objectives and results of the project.

1. INFORMATION CONCERNING THE APPLICANT ORGANISATION/COORDINATOR

- 1.1 Identity of the Applicant organisation
 - 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's name in English
 - 1.1.4. Legal Status
 - 1.1.5 Registration number
 - 1.1.6 VAT number
 - 1.1.7 Is your organisation profit-making?

Under this Programme Natural persons are not eligible for submitting grant applications under this Programme. Consequently, data entered in this field should refer to the Applicant organisation and not to the authorised signatory or the contact person (natural persons). Please give the full legal **name of the Applicant** organisation.

This information will be used when concluding the Grant agreement and when verifying the eligibility of the Applicant.

It is therefore very important to provide the same name as in the official document describing the legal status of the Applicant. 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, but has no legal personality, will be rejected. Please indicate the legal form/status of your organisation and provide evidence of its legal status.

Please provide the registration number given by the national authorities (business register, local municipality registering associations, etc.) and also indicate your VAT number (if applicable).

1.2 Registered Office – Official Address of the Applicant organisation – CONTRACT ADDRESS 1.3 LEGAL REPRESENTATIVE of the Applicant organisation - Authorised signatory
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Please give the official address of the Applicant organisation. This address will be used in the Grant agreement if the proposal receives a grant.

Please provide the name of the person authorised to legally represent the Applicant organisation for the purposes of this application. This person should be authorised to enter into financially and legally binding commitments on behalf of the Applicant organisation.

The person named here should be identical to the person signing this Application form and the Budget Estimate 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 should submit a document as evidence that the person signing the Application and Budget Estimate 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 the authorised signatory, the European Commission may request from any Applicant organisation further documentation to prove that the person really is the legal representative.

1.4 CONTACT PERSON - person responsible for handling the application 1.5 CONTACT ADDRESS for the Commission – address for correspondence

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.

The contact address may differ from the contract address.

1.6.1 - 1.6.5 ADDITIONAL INFORMATION about the Applicant organisation 1.6.6 Community grants and procurement contracts obtained in 2006-2008 and/or applications submitted in 2009

Please provide a brief and concise description of the basic information concerning the Applicant organisation: 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 profile and operational capacity of the Applicant organisation. An organisation chart of the Applicant organisation should be submitted.

Please list the grants (both operating and/or action grants) and/or procurement contracts obtained in 2006, 2007 and 2008 where the organisation, either as Applicant or Partner, received financing from Community programmes/initiatives. Grant applications / procurement bids submitted in 2009 must also be listed.

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

2.1. GENERAL PROJECT INFORMATION

2.1.1. Project Title in EN

Acronym/Short title

2.1.2 Duration

2.1.3 Total eligible costs of the project

2.1.4 Grant requested from the Programme

Grant requested from the Programme/total eligible costs

2.1.5 List of partners involved in this project

2.1.6 Specific objective(s) of the CIPS programme covered by the project

2.1.7 Specific priority of the CIPS programme covered by the project

2.1.8 Explain how the proposal corresponds to the selected priority

2.1.9 Type of activities and Characteristics of the project

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

The duration of projects to be co-funded under this Programme must not exceed 24 months. The total duration in months must be indicated. Under this section you should also indicate the total eligible costs of the project and the amount of the grant requested. The amounts given here should be identical to those amounts indicated on the Budget Estimate form. Since both forms are declarations signed by the Applicant, any discrepancy would mean that the declarations are contradictory and would result in the disqualification of your proposal.

Please list all the Partners (both Co-beneficiaries and Associate partners) participating in the project and attach the original Partnership Declarations for each Partner. Please number the Declarations, keeping the same order as in the list in section 2.1.5. Where there are more than 15 co-beneficiary partners and more than 10 Associate partners, please enter the words "*Further partners are listed under section 2.2.7.7*" in line 15 or X respectively of the table of section 2.1.5; please also list additional Partners under section 2.2.7.7 "Additional comments" of the Application form.

Partner organisations which will not be receiving any part of the Community grant should be listed as Associate partners.

Please read through the objectives and priorities of the 2009 AWP of the CIPS Programme.

Under section 2.1.9, Applicants should 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 partners will be assessed; if "*national*" is selected, Applicants must provide an explanation of how the project meets one of the conditions.

2.1.10 Summary of the project

The summary should provide the reader with a clear understanding of the proposal's aims and objectives, its compliance with the objectives of the CIPS programme, as well as all the activities to be carried out to achieve those objectives. It should also provide information on major outputs and results at the end of the project. This section will be your project's "visiting card" and will be used for publication/dissemination purposes, if your project is awarded a grant.

2.1.11 TECHNICAL ANNEX - DETAILED LIST OF PROJECT ACTIVITIES

Please list all the activities in chronological order and according to the timetable attached to the Budget Estimate form. The summary of the project should be consistent with all the information detailed in this section.

The technical annex should answer the following questions:

- **WHAT** kind of activities are planned?
- **WHY** do you want to carry out this particular activity?
- **WHO** will take part in the activities and who will benefit from them in the long term?
- **WHEN** and **WHERE** will the activities take place?
- **HOW MANY** people are involved and what is their role?
- **WHAT** are the expected results from this particular activity?
- **WHAT** are the risks involved?

This table will form part of the Grant agreement as Annex I.

2.1.12 Experience of the Applicant organisation in the selected CIPS priority

Please demonstrate previous experience in the chosen CIPS 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. Please also 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.

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

2.2.3 Participants

These are the persons whom you intend to reach directly with your proposal. Please provide an estimate of how many persons are likely to participate in the activities, indicating first the target group they belong to and, secondly, the participant's country of origin. 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 – $50 \times 2 = 100$, $25 \times 4 = 100$).

2.2.4.1 Please demonstrate your knowledge of the most recent developments in the area covered by your proposal
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Applicants should 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.

2.2.4.2 Is your project innovative? How?
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Please explain how your project is innovative, for example in comparison to the practice in other Member States.

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

Projects funded within the CIPS programme 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 more than one Member State and what the geographical impact will be. Furthermore, the specific added value for the Applicant organisation and the Partners should be clearly explained.

2.2.5.1 Approach and methodology

Please include a detailed description of:

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

2.2.5.2 Potential risks and difficulties and possible favourable factors

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. You must suggest a strategy that includes measures to prevent or mitigate these risks.

2.2.6.1 Organisational structure and implementation procedures

2.2.6.2 Project Manager(s)

2.2.6.3 Other Project staff

2.2.6.4 Financial management

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 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 action 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 CVs of all key 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>.

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. All persons mentioned in the Budget Estimate form must be identified here.

2.2.6.5 Involvement of third parties/subcontracting

If applicable, this is the section where you must give reasons why a third party/subcontractor has to be involved, and explain how that selection will take place.

2.2.7.1 Expected results

To present the expected results and outputs, please use quantitative descriptions where appropriate (examples of outputs: 100 hours of training for public officials, 5 regional meetings with 50 participants each, 5 network meetings).

2.2.7.2 How will the project be monitored and evaluated?

Please 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 give details of both the external and internal evaluation. When presenting the external evaluation, do not limit the description to the evaluation by the Commission at the end of the project. Explain who/which organisation will perform the external evaluation of the project. 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.

2.2.7.3 What is the expected impact of the proposed activities?

2.2.7.4 How will the project activities complement other activities in this field?

Please describe the expected impact of your activities in as much detail as possible. In particular, demonstrate the impact of the activities on the immediate target group and if relevant, identify the group of long- and mid-term beneficiaries as well.

After demonstrating your knowledge in the field, please illustrate in section 2.2.4.1 how your project complements already existing initiatives.

2.2.7.5 Dissemination and Sustainability

The usefulness of the expected results, the dissemination of results, lessons learned and know-how acquired should be detailed. Please explain what will be disseminated (key message), to whom (audience), why (purpose), how (method) and when (timing). The dissemination strategy should be developed in such a way that the results reach the largest possible audience, bearing in mind the European dimension.

Although a project is by definition limited in time, the aim is to make its results sustainable. Please distinguish between the following aspects of sustainability:

- financial sustainability - *How will the activities be financed once this Community co-financing ends?*
- institutional sustainability - *Will structures allowing the activities to continue be 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.?*

2.2.7.6 Visibility of the EC funding

Please note that any communication or publication by the (Co-) Beneficiaries concerning the action must indicate that the action has received funding from the CIPS programme. Any communication or publication by the (Co-)Beneficiaries, in any form and medium, must 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 EC funding. Annex V of the Grant agreement sets out the requirements as regards the graphics to be used.

2.2.7.7 Additional comments

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

4. GENERAL REMARKS REGARDING EXPENDITURE

4.1 Basic principles of financing

Community funding may under no circumstances give rise to a profit for the beneficiary. The definition of profit is laid down in Art.165 (IR) as follows:

- (a) a surplus of receipts over the costs of the action in question when the request is made for final payment of a grant for an action, subject to the second subparagraph;
- (b) a surplus balance on the operating budget of a body in receipt of an operating grant.

4.2 Basic rules on how to set up the budget

As part of the application, the Applicant must provide a detailed budget estimate of the project in Euros, with information on both expenditure and expected revenue. Applicants must use the Budget Estimate form laid down for CIPS 2009. The estimated budget should be **in balance**: the total of the revenues should equal the total of the anticipated expenditure.

The EC financial contribution cannot exceed 70% of total eligible costs. Applicant organisations will therefore need to secure funding from other sources to cover the balance. Financial contributions from the Applicant organisation, Partner organisations and other sources must be entered under the appropriate headings.

The budget submitted must be sufficiently detailed to enable the Authorising officer to decide in advance whether a grant should be awarded. For that purpose the budget entries should correspond to the activities described in the Application form and the timetable. They should be entered in the Budget Estimate form in such a way as to facilitate the identification of cost items. Financial contributions from the European Commission, the Applicant organisation, Partner organisations and other sources must be entered under the appropriate headings.

4.3 Specific rules on Eligibility of expenditure

Eligible costs of the project are costs actually incurred by the Beneficiary, 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 as specified in Article I.2.2 of the Grant agreement;
 - they are connected with the subject of the agreement and they are indicated in the estimated overall budget of the project;
 - they are necessary for the implementation of the action outlined in the proposal which is the subject of the grant;
 - they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost-accounting practices of the beneficiary;
2. they comply with the requirements of the applicable tax and social legislation;
3. they are reasonable, justified, and comply with the requirements of sound financial management, in particular in terms of value for money and cost effectiveness.

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. Furthermore, expenditure that is eligible for EU co-financing must not have been incurred prior to the date of submission of the grant application by the Applicant organisation.

The beneficiary's 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.

In particular, the following costs are eligible provided that they satisfy the criteria set out above:

4.3.1 Eligible Direct Costs

Heading A - Staff costs

To ensure the successful implementation of the tasks related to the activities, appropriate human resources should be allocated to the project. Under this heading of the Budget Estimate form, members of the project staff should be listed and their costs should be indicated.

Staff costs must be calculated on the basis of the actual daily salary/fee of the employee, multiplied by the number of days worked on the project.

Entries under this heading must describe the cost of project staff, comprising actual salaries plus social security charges and other statutory costs included in the remuneration. Where applicable, this figure must include all the usual contributions paid by the employer, such as social security contributions, but must exclude any bonuses, incentive payments or profit-sharing schemes, transportation and telecommunication packages (company car, company phone, etc).

Staff costs are not eligible if they relate to periods when the personnel concerned are doing their "**normal routine**" work – i.e. work which they would be doing whether or not the project had been implemented. Such work shall be considered as an in-kind contribution. However, these persons should be listed under Heading A of the Budget Estimate form (option 4 – As part of their normal tasks)

The costs of personnel in charge of implementing the project or part of it can be considered as eligible and funded under the EC grant, only if:

- a person is employed on a permanent basis by the applicant organisation, and is to perform tasks specifically linked to the implementation of the project on the basis of **overtime remuneration based on a clear and verifiable method** (a copy of the employment contract allowing overtime work must be provided); (**option 1 – Overtime**)
- a person is contracted by the organisation solely for the purpose of implementing the project; (**option 2 – Solely contracted**)
- a person is employed on a permanent basis by the applicant organisation, **seconded** by a duly documented decision of the organisation to tasks that are specifically linked to the implementation of the project and do not form part of his/her normal routine, **and he/she is replaced for his/her usual tasks by another person, and therefore additional costs are incurred**; (documents proving that another person was seconded to perform the duties of the project staff member may also be requested) (**option 3 – Seconded**)

In order to determine whether salaries are acceptable and reasonable, the following **threshold** will be applied during the evaluation of the proposals for one MAN-DAY with all charges included:

€ 450 for staff members in ISCO category 1: SENIOR OFFICIALS, MANAGERS, HIGHLY QUALIFIED PROFESSIONALS
€300 for staff members in ISCO category 2: JUNIOR PROFESSIONALS
€250 for staff members in ISCO category 3: TECHNICIANS AND ASSOCIATE PROFESSIONALS
€125 for staff members in ISCO category 4: CLERKS, SECRETARIES
http://www.ilo.org/public/english/bureau/stat/isco/isco88/41.htm

Please note, however, that the actual amounts must correspond **to the real cost of salaries in the** country where the activities take place as well as to the usual practice of the employer.

Applicant organisations must be ready to provide documents to support the entries under this heading (contract with staff members, recent salary slip, official document on employer's charges) and submit these at the request of the European Commission. Where the project is awarded a grant, these documents are usually requested prior to the signature of the Grant agreement.

In many cases the tasks do not require actual recruitment of new staff; instead, the delivery of tasks is purchased as a service. In that case, subcontracting costs should be indicated under Heading G - Other direct costs. The service contract should include the compensation paid for 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.

An offer may be requested before the signature of the GA. Regular staff of the Applicant/Partner organisations working full time for that organisation cannot be considered as subcontractors. All their tasks related to the implementation of the project should be included when calculating the work input of the staff member.



How to present costs on the Budget Estimate form

Staff costs must be calculated on the basis of the actual daily salary/fee of the employee, multiplied by the number of days worked on the project.

When completing the Budget Estimate form, staff costs for project staff should be presented as follows:

- The unit of calculation used must be a **MAN-DAY**. For reference, one Year = 220 MAN-DAYS, one MAN-DAY equals 100 % employment for 8 hours a day.
- Indicate the name of the person, if already known, in column A.
- Identify who will employ the staff member (Applicant/Partner) in column C.
- Indicate the basis on which the project staff member will be employed (overtime, secondment, etc.) in column D.
- All staff members should be listed under this Heading even if their "staff costs" are not charged to the project or if their costs are charged under a different heading. In such a case, only the name and/or the function of the staff member is to be indicated and their costs should be "0".

Staff costs **cannot include** expenditure for **translation/interpretation**, which must be included in "Conferences" (heading E), "Publications" (heading F) or "Other direct costs" (see heading G below). Costs of individual experts/consultants, if connected to the project via a service contract, should be listed under heading G - Other direct costs.

Timesheets

All staff members shall be allocated to the project on the basis of a clear and verifiable method and shall fill in timesheets showing the hours worked for the tasks related to the project. The timesheet should allow verification. For further guidance on how to present and fill in the timesheets, see chapter 5.3.5. "Justifications and proof to be submitted with the request for final payment".

Heading B - Travel expenses and subsistence allowances for project staff

This heading concerns costs charged for project staff described under **Heading A** and excludes costs related to conferences and seminars. If the staff member is not included under Heading A, costs under this section will not be considered eligible. Travel costs of subcontractors/service providers shall be included in their fees.

Only travel and subsistence costs directly linked to the project and relating to specific and clearly identifiable activities are eligible for Community funding. Travel to/from places other than those where the members of the Partnership are located must be shown to be relevant to the project, especially in the case of destinations outside the EU.

The most economic solution must be sought. Travel costs are not taken into account as lump sum funding, but will be reimbursed on the basis of the actual travel costs, subject to the presentation of supporting documents at the closure of the project.

The following thresholds should be taken into account when planning the project budget.



The maximum amount allowed for return **flights** between EU Member States is € 400 (single journey € 200); economy class travel only 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 should not exceed the cost of a 1st class train ticket.

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



Expenses for **travel by train** shall be reimbursed at the rate equivalent to a 1st class ticket, except for high-speed train connections, where only travel in economy class should 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 participant/project staff member: on the basis of the declaration, with the maximum amount of refund being the f 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 should be presented.
- For service vehicles owned by the Applicant/Partner organisation: on the basis of the declaration, with a maximum corresponding to a 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 should be presented.
- For hired cars (maximum category B or equivalent) or taxis: the actual cost, when this is not excessive by comparison with other means of transportation.⁴



Expenses for travel by **bus** should be eligible; rental or hire of a bus should be encouraged, if it is a more economical option than individual travelling arrangements of the participants. For example, a large number of participants needing to move from one location to another

⁴ Local transport, including taxi, will not be reimbursed when a per diem subsistence is paid.

together, or the location of an activity cannot be reached using regular public transportation, etc.

DAILY SUBSISTENCE ALLOWANCES - DSA

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

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/Partner organisation and they do not exceed the amounts indicated below

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.);
- costs of travel from/to the airport/train station.

The DSA may in principle not exceed:

- The daily (per diem) per person set and applied by the organisation to which the person travelling belongs, or
- The maximum daily allowance per person indicated below.

If there is no overnight stay **and/or** the mission does not cover at least **8 working hours at the location**, the amounts must be reduced by **50%**.

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 subsistence allowances are available on the website of Directorate-General AIDCO at:

http://ec.europa.eu/europeaid/work/procedures/implementation/per_diems/index_en.htm

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

Heading C - Equipment (new or second-hand)

Under this section only the equipment necessary for activities that are directly linked to the 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. Where the purchase of hardware and equipment is eligible, installation, maintenance and insurance costs may also be included, limited to the proportional use of the equipment for the project.

Applicants must demonstrate why equipment has to be purchased, rented or leased to carry out the project activity. 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 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.

Office equipment

The costs of office equipment necessary for the management of the 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, telephones, mobile phones and phone accessories should be included in the costs indicated under heading I - Overheads.

Equipment related to conferences/workshops

Standard equipment necessary for conferences/workshops: i.e. equipment for interpretation, microphones, audio-visual equipment (especially beamers, projectors), etc. should be listed under heading E - Conferences and seminars. Usually it is more economical to rent such equipment at the venue of the event; therefore, purchase of such equipment will not be considered eligible unless it is demonstrated that another form of acquisition is more economical.

Acquisition of vehicle

As the costs of transportation of project staff members and participants is an eligible cost, the purchase of vehicles (new or second hand) shall not be considered eligible, unless the Applicant can demonstrate that the eligible portion of the costs of acquisition of the vehicle represents a more economical option than using other means of transportation. In that latter case, transportation costs should be decreased accordingly.

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/Partner organisations must contact several suppliers in order to obtain the most economical terms. Applicant and Partner organisations must be already prepared to provide information (offers/quotations regarding their choice of acquisition before the Grant agreement is signed.

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 project.

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 should be 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.

Calculation of depreciation

The unit costs in case of depreciation should be the **eligible depreciation costs/month**. The life expectancy of the equipment is considered to be three years and the depreciation costs/month shall be calculated by dividing the acquisition cost of the equipment by 24 months and then adjusted by the rate of usage for the purposes of the project.

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/ 24 months= €416,67	416,67 * 50%= €208,33	208,33 * 3 months= €625

2. The project duration is the maximum allowed: 24 months. The equipment is used 100 % for the project for 24 months. This case is only possible if the equipment is purchased on the first day of the project.

Purchase price <i>excl. VAT</i>	Costs/ moth	Use for project purposes	Eligible amount of depreciation for 3 months
€10.000,00	10.000,00/ 24 months= €416,67	416,67 * 100%= €416,67	10.000,00 (416,67 *24 Months)

Costs **will not be eligible** if the equipment was purchased **prior to the start of the period of eligible expenditure indicated in the contract**, which may not, under any circumstances, be prior to the date when the application for the grant was lodged by the Applicant.

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

Applicant and Partner organisations must be ready before the signing of the Grant agreement to provide information regarding the basis they have used to calculate the price of the equipment (offers).

Heading D - Consumables and Supplies

Consumables and supplies, provided that they are identifiable and assigned to the action, may be treated as eligible direct costs 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, etc.

Otherwise, costs such as office stationery (pens, paper, folders, ink cartridges, diskettes...), electricity supply, telephone and postal services, Internet connection time, office software, etc. are to be considered as indirect costs (see heading I - Overheads).

Consumables and supplies related to conferences and seminars must not be included under this heading. They have to be accounted for under heading E - Conferences and Seminars.

Heading E - Conferences and Seminars

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

This heading should also include the travel expenses and subsistence allowances for project staff taking part in the event. In the case of local staff, no hotel costs are eligible. Subsistence expenses can be expressed on the basis of daily allowances (lump sums) or based on actual costs. The maximum amounts shown in the table under heading B above are also the maximum rates that may be claimed under heading E.

Indicative prices for "conferences and seminars" items:

"Seminar package" € 100/person/day (8 hours)

The seminar package should include room rental, badges, stationery, documents, conference bag, documents for conference, hostess and registration charges, audiovisual, technical equipment, flip charts, microphones, refreshments during the conference, coffee breaks, etc.

Normal meal (dinner or lunch) € 35/person

Interpretation € 750/day/interpreter

- number of interpreter days required (1 interpreter day = one 8-hour working day of an interpreter);
- languages concerned;

If interpreters are considered to be service providers, they should not be included in the number of participants; therefore DSA and hotel costs are not eligible costs for interpreters. Furthermore, if the interpreters are staff members of the Applicant/Partner organisations, they should be treated as project staff members and the conditions for staff members should 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 should be indicated and his/her CV must be attached. A short profile of the expected speaker should be provided in order to assess whether the provisions for the costs of the speaker 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.).



How to present the costs in the Budget Estimate form

As mentioned previously, all budget entries should correspond to the activities described in the Application form and the timetable. Costs should be itemised event by event and the following information is required as a minimum:

- Location of the event
- Expected duration of the event (in days)
- Expected number of participants
- If the participants are travelling, indicate the destination and origin of their journey and observe the thresholds under heading B
- Indicate the number of estimated local participants
- If already known, give the name of the organisation that the participant represents
- If conference brochures, programmes, etc. are produced, indicate the estimated number of copies and pages.

If meals or other expenses are provided for during the conference or seminar, the daily allowance has to be reduced accordingly.

Heading F - Publications, dissemination and evaluation of the results

Costs for publication and dissemination

Publication and dissemination of the results shall be a core element of the project proposal. It should therefore be carefully planned and the appropriate resources should be allocated. In order to be eligible for Community funding, publications must be produced by, and for the use of, the project. Any communication or publication by the beneficiary about the action, including at a conference or seminar, shall indicate that the action has received funding from the Community.

Community co-financing of grants should not be given for profit purposes. Should the results be commercialised and should the project thereby generate income, the amount of this expected income must be indicated in the relevant section of the Budget Estimate form. If the dissemination strategy includes dissemination of results via an Internet website, the costs of acquiring a domain, webhosting, website creation and development, and website maintenance may be considered eligible. Postage costs for dissemination should be included under this heading.

In the case of printed material, please describe the type of publication, the estimated numbers of pages and of copies. The costs of the design and editing should be indicated separately from the cost of printing. If the publication is translated, the language(s) must also be clearly indicated.

Indicative prices for "publications, dissemination and evaluation of the results" items:

- **Photocopies (black + white)** : maxi €0.10 per page
- **Purchase of CDs**: max. €5 each
- **Translation**: max. €45 per page
- **Design costs**: max. €15-20 per page
- **Printing**: 0.20 Euro per page

Costs for external evaluation

The costs for external evaluation should be proportionate to the anticipated outcome and impact of the project. Where the external evaluation of the projects is subcontracted to a service provider, the following minimum information should be indicated in the Budget Estimate form:

- Who will carry out the external evaluation/how will the service provider be chosen?
- What will be the scope of the evaluation?

Heading G - Other direct costs

Other additional costs not falling into any of the above categories may be claimed under the Grant agreement, with the consent of the European Commission, provided they are considered necessary for the proper performance of tasks included in the project proposal.

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

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

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

- charges for financial services in specific contexts (charges for bank transactions, transfers, bank guarantees, deposits). However, interest charges and exchange losses are not eligible;
- other costs arising from obligations under the Grant agreement (reports, translations⁵, certificates, etc.);
- external audits of the project or specific evaluations of its implementation, if agreed or requested by the European Commission;
- the costs of external contracting (consultancy fees, research services, technical feasibility, etc.).

⁵ Except for translation/interpretation related to conferences/seminars or to publications, which should be indicated in the specific budget headings E and F.

Subcontracting

As a general rule, Applicant and Partner organisations must have the capacity to carry out the work 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; where the value of subcontracting exceeds **25 % of the total** eligible costs, the involvement of subcontractors should be explicitly justified;
- core elements of the project cannot be subcontracted, unless the aim of the project calls for very special technical knowledge or expertise;
- recourse to the award of contracts must be justified, having regard to the nature of the action and what is necessary for its implementation;
- any recourse to the award of contracts while the action is under way, if not provided for in the initial grant application, shall require prior written authorisation by the European Commission;
- even though certain services may be performed by a subcontractor, the beneficiary or its partners maintain full responsibility for carrying out the project, they retain the intellectual property generated, if any, and they ensure that the provisions of the model Grant agreement are reflected in the contract with the subcontractor.

The subcontractor must be a legal entity. There shall be no statutory link between the subcontractor and the Applicant organisation or its partners or members of their staff: any situation which could lead to conflicts of interest and circumvention of the non-profit principle should be avoided. In the latter case, the European Commission must be informed and give its prior approval.

When the Applicant or any Partner organisation chooses a subcontractor, the entity responsible for the acquisition must ensure a fair and transparent procedure and keep documentary evidence of the procedure. The contract must be awarded 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.

The Commission reserves the right to ask the Applicant for the documents proving that the relevant rules of public procurement⁶ were applied.

Depending on the estimated value of the contract, the Applicant must ask for:⁷

- a minimum of one offer if the contract value is below or equal to €5.000
- a minimum of three offers if the contract value is above €5.000 but below or equal to €25.000, and
- a minimum of five offers if the contract value is above €25.000.

At the application stage, the Applicant organisation should be able to provide the basis used for the calculation of the price of the contract.

⁶ [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 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.

⁷ Derogation from this rule is only allowed if the entity responsible for the acquisition of the contract due to its legal status is subject to national public procurement rules and regulations and the national legislation has different provisions and/or if the nature of the subject of the contract require a different treatment .

4.3.2 Eligible Indirect Costs

Heading I - General Expenditure – Overheads

Unlike direct costs, indirect costs (**General Expenditure - Overheads**) relate to categories of expenditure that are not identifiable as specific costs directly covering an individual activity, but are nevertheless necessary for carrying out the action.

These indirect costs are part of general expenditure and should cover the administrative costs directly related to the project management during project implementation:

- administration and management expenses;
- depreciation of buildings and existing equipment (according to the calculation methods of the national legislation of the Beneficiary);
- depreciation of immovable property (according to the calculation methods of the national legislation of the Beneficiary);
- rents;
- communication costs (postage, fax, telephone, mailing, internet connection, telecommunication software, etc.);
- office supplies (stationery, photocopies, paper, ink, cartridge, etc.);
- office furniture;
- standard office IT equipment, (copy machine, projector, beamer, PCs, laptop, normal office software, etc.);
- maintenance costs;
- heating, water supply, electricity or other forms of energy;
- insurance policies;
- costs related to horizontal services, such as administrative and financial management and human resources.

Flat rate funding for General Expenditure – Overhead costs

Within the limits permitted by Art 181 of the IR, General Expenditure – Overhead costs can be financed by means of flat-rate financing. This means that costs under General Expenditure – Overheads do not have to be supported by accounting documents as long as the amount of the costs under this heading does not exceed a maximum of 7% of the total direct eligible costs of the project.⁸

However, if **7%** of the total eligible costs **exceeds €25.000**, the need for the costs expected under this heading **should be itemised on Sheet I – Overheads** of the Budget Estimate form. The European Commission may request justification of these costs, especially in cases where the amount of subcontracting exceeds 20 % of the total eligible costs.

General expenditure should be proportionate to the workload due to the type and nature of activities, length of project, number of partners etc.

Organisations receiving an operating grant from the EU budget shall not include indirect costs in their estimated budget for an individual action. Applicant organisations shall make a declaration regarding this in the Application form in the table under section 1.6.6.

⁸ Art 108 of FR and Art 181 of IR

Heading K - Project related income

Heading L - Financial contribution from applicant and project partners

Heading M - Contribution from other organisations

While estimated expenses (eligible costs) should be listed under headings A, B, C, D, E, F and G, the different incomes which are supposed to cover these costs should be shown under headings K, L and M.

The CIPS Programme should cover an amount not exceeding 70% of the total eligible costs of the action. Therefore, the remaining amount (a minimum of 30%) should be covered by other sources and the contributions of the Applicant/Coordinator, the Partners or a third party (sponsor organisation). The contribution requested from the Programme has to be indicated only on the first cumulative page of the Budget Estimate form and not under headings K, L and M.

If the project activities are expected to **generate income**, the estimated amount of income should be listed under **heading K** of the Budget Estimate form (e.g. conference fee paid by participants, revenue from commercialising the publication, etc.). **The EC contribution is not a project-related income.**

Under headings L and M, the **cash contributions** should be listed. They are supposed to cover the cash expenses during the implementation of the project.

As only the costs representing **actual cash expenses** to the Applicant/Coordinator and Partner organisations should be listed in headings A, B, C, D, E, F and G, these expenses should be also covered **in cash**. Contributions in kind are not accepted under this Programme.

In order to support the entries under these headings, co-financing guarantees should be provided at the application stage:

1. **Contribution by Applicant/Coordinator:** by signing the Application and Budget Estimate forms and entering the amount of the contribution in the designated cell in the Budget Estimate form under **heading L**, the Applicant/Coordinator makes a binding declaration concerning this amount. No further documents are required.
2. **Contribution from Partner organisations:** by signing the Partnership Declaration form 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 should be indicated under **heading L** of the Budget Estimate form. The Declaration should be attached to the application.
3. **Contribution provided by a third party (sponsor) organisation** should be demonstrated through the Co-financing Declaration form. Each sponsor organisation should complete and sign the Declaration and indicate the amount of contribution in the designated section of the form. The same amount should be indicated under **heading M** of the Budget Estimate form. The Declaration should be attached to the application.

Timetable for implementation

Please submit an approximate timetable for implementing the project, indicating each activity and marking the month in which the activity is due to take place. Please also indicate the proposed starting date of the project. On this page of the Budget Estimate form, you may add extra lines if need be.

4.3.3 Non-eligible costs

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 should not be entered in the Budget Estimate form at the application stage:

- 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 and covered by a specific action receiving a Community 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 EC grant (for instance, staff costs for which no financial contribution is requested from beneficiaries and partners, the loan of a school hall for a seminar, the donation of paper for printing books by a government agency, non-remunerated consultancy work, etc.);
- Costs which are not identifiable or verifiable on the basis of supporting documents;
- Expenditure incurred outside the lifetime of the project as stipulated in the Grant agreement;
- Expenditure related to reports/audits not requested by the European Commission;
- **Value Added Tax - VAT**, unless the beneficiary can show that the organisation is unable to recover it under the national legislation applicable;

Pursuant to [Council Directive 2006/112/EC](#) of 28/11/2006 on the common system of value added tax, VAT is a non-eligible cost unless the beneficiary can show that he is unable to recover it. Therefore, costs listed in the Budget Estimate form should be included free of VAT.

It should be noted that VAT paid by a public body⁹ (for example, a ministry) to operators who are subject to VAT (when purchasing goods / supplying services within the framework of the implementation of the co-financed project) is not eligible. The VAT thus collected by operators liable to tax will in fact be returned to the accounts of the Member State of the public body.

If costs charged to the action include VAT, please provide evidence in the form of an official document, from the appropriate tax authority, certifying that your organisation is unable to recover VAT either directly or indirectly.

4.4 EVALUATION AND SELECTION OF PROJECTS

4.1.1. 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 beneficiary and/or from partners' own resources or financial resources from third parties.
2. Non-profit rule: the project may not have the purpose or effect of producing a profit for

⁹ 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 engage as public authorities.

the beneficiary or partners.

3. Non-retroactivity rule: expenditure eligible for 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 action carried out by a given beneficiary.

The assessment of each proposal is based on the information provided by the Applicants in the proposal submitted in response to this Call for Proposals. All the proposals are assessed in light of the exclusion, eligibility, selection and award criteria indicated in the Call for Proposals.

The eligibility, exclusion, selection and award criteria procedure is made up of successive stages. Only the proposals meeting the requirements of one stage of the assessment will pass on to the next. At the end of the evaluation, the 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 the CIPS Programme Committee for its opinion.

Once this Committee has issued its opinion, the Authorising officer will take a decision, and the Commission services will inform all applicants accordingly whether or not their applications have been selected.

The European Commission can also decide to draw up a reserve list of projects to be co-funded, in the event that additional funds become available for the Programme or if Applicants withdraw their (selected) project.

4.4.2 Eligibility and exclusion criteria

(a) In order to be eligible, proposals must meet all the requirements under section 5.1 - Eligibility criteria of the 2009 CIPS Call for Proposals.

(b) A proposal will be excluded if the Applicant is in any of the situations mentioned under point 5.2 – Exclusion criteria of the 2009 CIPS Call for Proposals.

4.4.3 Selection criteria

Pursuant to Article 176 of the Implementing Rules of the Financial Regulation, Applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out and to participate in the funding thereof.

The Applicant's financial capacity shall be verified on the basis of an analysis of the supporting documents requested in the CFP.

Applicants (together with their Partners) must have the operational (technical and managerial) capacity to complete the action to be supported. In particular, the team responsible for the action must have appropriate professional qualifications and must have proven and documented experience in the relevant field. Curricula vitae (CVs) and particulars of involvement in actions and activities for key staff working on the project of the Applicant and Partner organisations must be provided.

4.4.4 Award criteria

Only proposals which meet the requirements of the eligibility, exclusion and selection criteria mentioned above will be eligible for further evaluation. During the award stage, the European Commission will evaluate the overall relevance and quality of the proposal. The applications are evaluated on the basis of the criteria indicated in the 2009 CIPS Annual Work Programme and Call for Proposals.

A proposal should be clear, coherent, realistic and feasible in terms of actions, timetable, budget and value for money. There should be a clear link established in the proposal between the project objectives, the proposed actions and their expected results. All actions should be properly described

and quantified. All costs and contributions should be clearly identified and described in the financial forms. Costs should be reasonable.

4.4.5 Decision of the Contracting Authority – AWARD DECISION

On the basis of the list of merit drawn up by the evaluation committee and after the opinion of the CIPS Programme Committee, the Authorising officer adopts the final list and allocates the grants. All Applicants will be informed in writing of the Authority's decision concerning their application.

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 EC 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 European Commission.

Please note that the European Commission reserves the right to award a grant lower than the amount requested by the Applicant organisation. Grants will not be awarded for an amount higher than the amount requested in the proposal.

4.4.6 Conclusion of the Grant agreement - Revised Budget estimate

After the award decision has been taken, the Commission services start the process of concluding the written Grant agreement. The Grant agreement is the legally binding document which establishes the rights and obligations of the parties and specifies the maximum financial resources which will be allocated for the project.

In order to finalise the estimated budget to be included in the written Grant agreement, the Commission services may invite those Applicants who have been awarded grants to revise cost items, where they are not in compliance with the rules on eligible costs, and to provide supporting documents to verify the declarations of the Applicant, Partner and co-financing organisations.

Where the Applicant is unable to provide the requested supporting documents or does not respect the deadline set in the request by the Commission services, the conclusion of the Grant agreement can be terminated and the funding previously allocated to the project shall be used for another proposal on the reserve list (if applicable).

The drawing up of the Grant agreement involves no negotiation on the content or the substance of the proposal. In order to treat all Applicants equally, no substantial modification is allowed during the conclusion of the Grant agreement.

The Grant agreement shall specify:

- the **maximum amount of the grant**,
- the **eligibility period of costs**,
- the **reporting obligations**, and
- the **percentage (%) of EC co-financing**.

The same **percentage** will be used when calculating the final amount of grant to be paid. If the final expenditure turns out to be lower than the estimated 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 final grant amount is also subject to the application of the "non-profit rule".

4.4.7 Signature of the written Grant agreement

Once the Commission services have approved all the elements of the project, including the Budget estimate, the Grant agreement is issued and sent to the Beneficiary/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 and V.

No modification is allowed to the text of the Grant agreement sent to the beneficiary for signature; the agreement should be signed by the **Authorised signatory** of the beneficiary whose name appears in the document.

It is recommended that these documents be sent by registered mail. The Commission services will then countersign both originals of this agreement and return one original to the Coordinator.

Please note that the signed agreements must be returned to the European Commission within the deadline specified in the covering letter. If the agreement is not returned within this time limit, the Commission reserves the right to consider that the beneficiary/Coordinator renounces the grant.

Applicants should analyse the draft Model Grant Agreement published with the Call for Proposals in order to familiarise themselves with the terms of the Grant agreement.

4.4.8 Financing

After signature of the Grant agreement, the European Commission will make a pre-financing payment to the beneficiary/Coordinator.

Payment will normally be made in two instalments:

- A pre-financing payment, usually **60%, 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 to the European Commission of a final report and a final statement of expenditure, together with any project-specific results specified in the Grant agreement (for example, books or other publications, videos, CD-ROMs, etc). A full list of the documents to be submitted is given in **Annex III** of the draft Model Grant Agreement. Expenditure should be declared in the currency in which it has been recorded in the Beneficiary's accounts, or in the currency of the relevant invoice.

In certain cases, the beneficiary/Coordinator may be asked to provide a financial guarantee in order to receive the pre-financing, or alternatively the amount of pre-financing may be reduced in order to protect the financial interests of the Community.

5. GUIDELINES FOR PROJECT MANAGEMENT

5.1. OPERATIONAL MANAGEMENT

5.1.1 General Remarks

The Grant agreement, including its Annexes, is legally binding. This means that the Beneficiary/coordinator organisation, the partner organisations involved, project 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 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 action, 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 project, which you will find in the letter of acknowledgement of receipt of the proposal. The beneficiary/coordinator organisation shall inform the Commission of any changes in its contact details.

5.1.2 Management style

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 Programme.

Whichever the system of management chosen, a high degree of transparency and accountability is expected.

5.1.3 European added value and EC visibility

Applications should 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 should contribute to the advancement of knowledge or expertise on future European policy issues and, at the same time, be consistent with established EU policy.

Projects benefiting from a grant must give adequate visibility to the funding received from the European Union and the CIPS programme and, in particular, in the materials produced by the project. The relevant requirements are set out in Annex V of the draft Model Grant agreement.

5.2. ADMINISTRATIVE MANAGEMENT AND REPORTING TO THE EUROPEAN COMMISSION

5.2.1. Amendments to the Grant Agreement

The Beneficiary/Coordinator shall inform the European Commission of any changes in its contact details necessary for good administration of the Grant agreement.

If an amendment to the Grant agreement is required, the Beneficiary/Coordinator organisation should submit a written request to the Commission in good time, before it is due to take effect and in all events **one month before the end date of the action**, except in cases duly substantiated by the Beneficiary/Coordinator and accepted by the Commission.

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.

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 call for proposals within the framework of which the grant was awarded.

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

The table below provides some examples of the changes that require an amendment to the Grant agreement.

Examples of cases where the grant agreement should be amended:	Documents to be submitted along with the request for an amendment: As the detailed demonstration of the need for the amendment must be included in the request, it is not mentioned separately
Addition or replacement of one or more partners to the action	-Justification for change -Original(s) of the partnership declaration(s) duly completed and signed by the new partner(s) -Updated description of the action -Updated Budget Estimate form, if the change affects approved budget estimate -Mandate from the new partner duly signed
Modification of the Budget estimate requiring a transfer(s) between headings when an increase of more than 10% of the amount entered under one or more headings is involved	-Justification for change -Updated Budget Estimate form
Inclusion of new items in the Budget estimate or change in units of agreed ones	-Justification for change -Updated Budget Estimate form
Change of bank account into which the grant is to be paid	-Duly completed Financial Identification Form
Change of the legal representative of the beneficiary/coordinator organisation	-Copy of the decision accompanied by the supporting documents
Reorganisation or other event resulting in change to legal personality	-Duly completed Legal Entity Form, accompanied by the supporting documents
Extension of the duration of the project	-Justification for extension -Updated Timetable -Updated Technical Annex (if required)

In the case of changes to the staff:

Any changes in the list of persons and of positions planned in the staff costs should be notified in writing to the European Commission. Depending on the importance of the changes, the Commission will decide on the need for an amendment.

In addition to these examples, please refer to the Grant agreement for the conditions under which an adjustment of the Budget Estimate is not subject to an amendment.

5.2.2 Reporting Obligations

5.2.2.1 During the implementation of the project

Under this Programme, beneficiaries have no general obligation to submit interim report(s) – be they financial or narrative - during the implementation of the project. However, in order to protect the financial interest of the Community and/or to ensure the implementation of the provisions of the Grant agreement, the Authorising Officer may request the Beneficiary/Coordinator of the grant to report on the progress of the activities co-funded by the Programme.

5.2.2.2 At the closure of the project - Final report

The conditions regarding the reporting obligation are included as Annex III 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 III.

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). These templates are available on the Programme's website.¹⁰

Unless otherwise stated in the Grant agreement, the **Final report** must be submitted in duplicate (1 original and 1 copy) **within three months** following the end date of the action as specified in the Grant agreement.

5.2.2.3 Examination and acceptance of the reports

In order for the Commission to evaluate and accept the Final report, the following formal requirements must be satisfied:

- the templates provided by the Commission must be used;
- **a balanced financial statement** must be correctly completed using the existing template, and presented in a consolidated form, downloaded from the website;
- these documents, duly signed and dated, should also be submitted in electronic format;
- the supporting documents must be complete.

5.2.3. Justifications and proof to be submitted with the request for final payment of the Grant

The Commission 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 Final report and the Final Financial statement do not conform to the rules and the Grant agreement.

In particular, payment of non-eligible expenses or undue VAT or other taxes will be refused. Also, transfers of amounts exceeding 10% from a budget heading to another without prior consent of the Commission will not be accepted.

In order to allow a proper analysis of the Final Financial statement, the Commission will require the supporting documents, either partially or totally (invoices, staff pay slips, proofs of payment etc.).

These supporting documents should be sent within 30 calendar days after the receipt of the request from the Commission services. It should be noted that, when the Commission requires such documents, the normal period of 90 days for approval of the Final report and for payment is

¹⁰ final narrative report; final financial statement; formal request for final payment

suspended. A similar suspension occurs if the submitted final accounts or documents are not correct. The countdown resumes when the Commission has received the requested information.

Once the Final narrative report and Final Financial statement have been approved, the Commission will issue the corresponding final payment order or a recovery order to recover funds undue from the Beneficiary/Coordinator.

5.3. FINANCIAL MANAGEMENT AND INVOICING

The financial management of a project co-funded by the Programme must cover the whole of the budget and costs incurred.

5.3.1. 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 Beneficiary/coordinator organisation (personal accounts are not acceptable under any circumstances);
2. Specific to the project (alternatively, in the case of a general account, the Beneficiary/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 beneficiary/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 Code¹¹

If the funds paid into this account yield interest or equivalent benefits under the law of the State on whose territory the account is opened, such interest or benefits shall, if generated by pre-financing payments, be recovered by the Commission.

The beneficiary/coordinator shall declare the interest when submitting the request for final payment. This obligation is lifted for Member States.

5.3.2. Accounting system/internal control

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

- the sources of project funding;
- project expenditure incurred during the contract period by the beneficiary/coordinator, its partners and/or third parties;

All transactions in the contract period relating to actual expenditure/income under the project must be recorded systematically using a numbering system specific to each European project. The contracting organisation must keep these accounting records as well as all proof of expenditure (invoices, receipts etc.) for at least 5 years after the date of completion of the contract.

In the case of projects, expenses incurred by the Partner organisations shall only be deemed to be eligible if they have been re-invoiced to the beneficiary/coordinator and appear in the beneficiary/coordinator's accounts. However, Partner organisations shall agree by signing the Partnership declaration form that, if the Commission requests the audited accounts of the project, they will provide the requested documents.

¹¹ 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.

5.3.3. Value Added Tax (VAT), customs duties and other taxes on goods and services

The Beneficiary/Coordinator must ascertain from the competent national authorities which are the provisions, rules and legislation governing taxation in their countries.

VAT cannot be charged to the project unless it is a final charge, i.e. a charge that is not deductible and cannot be recovered by the contracting organisation or the partners. For VAT, please consult the section of this Guide headed "Non-Eligible" costs.

Please declare the VAT status of the Beneficiary/Coordinator and the Co-beneficiaries in the request for final payment form.

5.3.4. 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, for a standard 12-month project grant, financial transfers will typically be made as follows:

- a pre-financing payment of 60% 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.

5.3.5 Justifications and proof to be submitted with the request for final payment

As regards the supporting documents that have to be submitted together with the request for final payment, the following conditions should apply.

Supporting documents that are **not submitted as originals** shall be marked as **certified copies**¹². 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 beneficiary/coordinator must prove that the contract order (for a purchase, service) was placed during the period covered by the activity. This facility can only be used for certain supplies, translations and publications costs, whereas staff costs, travel and subsistence expenses must have been incurred during the activity period.

1. STAFF COSTS

Documents to be provided:

- time sheets, indicating working hours and activity/tasks performed, signed and dated by employee and employer;
- a copy of the salary slips of the persons for the months they worked on the project or proof of payment through bank account. A proof of payment is not requested from public authorities;
- proof of payment of overtime/extra working hours, timesheets, copy of the contract (where applicable) (payment through a bank account).
- a copy of the employment contract with the person specifically recruited for the project, indicating duties, working hours and salary;
- a copy of the secondment decision for the person replacing the official/person assigned to the project (public authorities);

¹² A certified copy is a duplicate of a document that shows the original signature and sometimes stamp or seal of a suitable professional person or organisation, in order to verify that it is a true and genuine copy of the original document. A copy certified by the entity issuing the original document or the department/service of the Applicant organisation whose usual duty is to handle the original of the supporting document can be accepted (e.g. invoices/accounting department, work contracts/human resources department, etc.).

- proof of the assignment of the person to the project (internal note in the case of persons permanently employed within the organisation), with an indication of working hours and tasks.

External staff (consultant, interpreter, hostess, researcher):

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

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 project activity for which the work input by the staff member was required (if applicable).

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

- Full name of the organisation/service concerned
- Full name and signature of the staff member concerned
- Full name and signature of hierarchical superior of the staff member
- Title of CIPS project as indicated in the Grant agreement
- Project reference number
- Time period concerned
- The activity of the 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.**

2. 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 Applicant organisation, up to the cost of the first-class rail fare. The applicant 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).

If travel expenses are paid by the participants and are to be borne by them, these expenses should be declared under heading K : project related income.

3. SUBSISTENCE EXPENSES

The daily allowance includes all costs (hotel, meals, local transport, taxis etc.) and must be within the limit set by the Coordinator organisation; moreover, it must not exceed the amount indicated in the table (section 4.3.1.Heading B).

A. Cost declaration on the basis of a fixed daily allowance (recommended):

Documents to be provided:

- the attendance list of the meeting held, signed by all participants;
- proof of payment of the daily allowance (payment through bank account).

Where the Applicant is using its own system, the following documents must be provided:

- copy of claim from the staff member for reimbursement of expenses (business trip expenses reimbursement claim) indicating the place, date and time, dated and signed by employee and employer/person authorising the expenditure;
- attendance list for the meeting held, signed by all participants;
- proof of payment of the daily allowance (payment through bank account, or signature of a document by the participant to confirm that he received the amount indicated);
- the daily allowance cannot exceed the rates indicated above.

B. Cost declaration based on actual cost:

If the expenditure is borne by the organiser of the project:

- 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).

4. ALL OTHER EXPENSES

Documents to be provided:

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

Translation: always specify target language(s) and length of the text translated (words/ lines or pages) in the invoice.

Interpreters: number of interpreters, languages covered, duration, rate per day/or hour.

Equipment:

- invoice;
- apply the depreciation rate (generally three years for all equipment, or the rate used by your country's tax authority, whichever is the more favourable – in this case, a copy of the national rule should be attached). The date of purchase determines the eligible period of depreciation.

5. 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 (general administrative costs) cannot be claimed under any other heading. Indicate the percentage agreed in the contract and apply it to the total eligible costs.

However, if the agreed amount under this heading exceeds €25.000 of the total eligible costs, the costs claim must be itemised and supported by accounting documents.

Documents to be submitted – see section "**ALL OTHER DIRECT ELIGIBLE COSTS**" above.

5.4. MONITORING, AUDIT AND EVALUATION

5.4.1 Monitoring, Audit and Evaluation by the Beneficiary

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

5.4.2 Monitoring, Audit and Evaluation by the European Commission

In addition to the possible internal monitoring and evaluation activities carried by the implementing organisations themselves and described in the project proposal, the Commission may organise external monitoring, evaluation missions or audit in respect of the projects co-funded by the CIPS Programme.

5.4.3 Auditing

Annually, the Commission services carry out audits on grants selected by random sampling (or when an audit is deemed necessary). These audits are carried out by the Commission's accounting department. As in the case of the monitoring missions, audits generally involve an on-site visit to the organisation implementing the project. **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 should be carefully kept during this period.

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 financial plan. 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.

Monitoring or 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, and hence that at least some of the Community funds unduly paid to the beneficiary/coordinator ought to be recovered. In such a case, the Commission could request the total or partial reimbursement of the amounts already paid to the beneficiary/coordinator.

5.4.4 Evaluation of the CIPS Programme

The Basic Act of the Programme establishes that the Commission shall ensure regular, independent and external evaluation of the Programme. The first evaluation to be conducted (the interim evaluation) is to be presented to the European Parliament and the Council no later than 31 March 2010.

The ex-post evaluation shall be submitted no later than 31 March 2015.

When signing the Grant agreement, organisations automatically agree to cooperate with the Commission services or parties acting on behalf of the Commission during the abovementioned evaluations.