



EUROPEAN COMMISSION
DIRECTORATE-GENERAL JUSTICE

Directorate A
Unit A4: Programme management

GUIDE FOR OPERATING GRANTS TO FRAMEWORK PARTNERS for the financial year 2015

**Justice Programme
Rights, Equality and Citizenship Programme**

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I. INTRODUCTION

1. The Programmes managed by DG Justice

This Guide is applicable to the [call for proposals](#) for the establishment of three-year Framework Partnership Agreements with EU level networks and for the resulting Specific Agreements for **Operating Grants** to be awarded **for the financial year 2015** under the two financial programmes managed by Directorate-General for Justice of the European Commission:

- **[Justice Programme](#)**

(established by Regulation (EU) No 1382/2013 of the European Parliament and of the Council of 17 December 2013 establishing a Justice Programme for the period 2014 to 2020¹);

- **[Rights, Equality and Citizenship Programme](#)**

(established by Regulation (EU) No 1381/2013 of the European Parliament and of the Council of 17 December 2013 establishing a Rights, Equality and Citizenship Programme for the period 2014 to 2020²).

This Guide is also applicable to operating grants awarded by Directorate-General for Justice to the body identified as recipients of operating grants in the Justice Programme (legal base beneficiary), and to the bodies identified as monopoly in the 2015 Annual Work Programmes of the REC Programme (monopoly). The parts of this Guide not applicable to these bodies will be indicated accordingly.

2. The scope of this Guide

The Guide is divided in different sections and aims to provide all information relevant to the application and selection process, as well as to the entire life-cycle of the grants:

Section II provides information about preparing and submitting an application for funding.

Section III provides information about the implementation of activities.

Section IV provides information about reporting at the end of the activities.

The last section (Section V) on Eligibility of costs includes information relevant to all stages: application for funding, implementation of the activities, reporting.

! Note

The information provided in this Guide is supplementary to the rules published in the call for proposals and in the Grant Agreements and should always be read together with the call for proposals or the Grant Agreements. In case of any inconsistency or contradiction, the rules published in the Grant Agreements and in the call for proposals take precedence over this Guide.

¹ OJ L 354, 28.12.2013, p. 73.

² OJ L 354, 28.12.2013, p. 62.

3. Glossary of Terms

The following Glossary of Terms will help you understand the terminology used throughout this Guide.

Applicant:	A legal entity which submits a proposal. The criteria for the eligibility of the Applicant are defined in the call for proposals.
Beneficiary:	When the grant is awarded, the Applicant becomes the Beneficiary and is referred to as such in the respective sections of this Guide. In the Framework Partnership Agreement and in the Specific Agreement for an Operating Grant the Beneficiary is referred to as "the partner".
Member of the network:	A legal entity distinct from the Beneficiary, but linked to it by agreement. Members of the network are considered as third parties for the purpose of the implementation of the co-financed activities and the eligibility of costs.
Donor:	Third parties which provide financial support to the Beneficiary, (e.g. network members through membership fees, other third parties through specific cash donations, etc.).
Framework Partnership Agreement³:	Long term cooperation mechanism between the Commission and the Beneficiary. It specifies the common objectives, the nature of activities planned, the procedure for awarding specific grants and the general rights and obligations of each party under the Specific Agreement.
Specific Agreement for an Operating grant³:	A grant awarded to finance the normal activities/functioning of an organisation under a Framework Partnership Agreement.
Grant Agreements³:	Any reference to the term Grant Agreements in this Guide should be understood as reference to both the Framework Partnership Agreement and the Specific Agreement.
Action grant:	A grant awarded to finance a project. NB: This Guide is <u>not</u> applicable to Action Grants.

³ All specific references to the Framework Partnership Agreements are not applicable to the legal base beneficiary and to the monopoly.
The Commission will not sign with these bodies a Framework Partnership Agreement and a Specific Agreement, but one Operating Grant Agreement.

II. HOW TO PREPARE AN APPLICATION

1. Introduction

The purpose of this section is to assist Applicants in preparing a successful application.

It also explains the submission process, providing detailed information on how to fill in the Grant Application Form and those of the required Annexes where a mandatory template is provided.

Applicants are therefore requested to carefully read relevant sections of this Guide before they start preparing the Application Package, in addition to the call text.

! Note

The Applicants must ensure consistency within and between all documents submitted as part of the Application Package. Lack of consistency will be evaluated unfavourably.

2. General information about the Application

2.1. PRIAMOS

An application can be submitted solely through the PRIAMOS on-line system. No other form of submission will be accepted. Application Packages or Annexes sent by e-mail, post or fax will not be taken into consideration.

Before submitting an application, Applicants must first register in PRIAMOS.

! Note

For further information on how to register in PRIAMOS and on how to submit the Application Package, please consult:
http://ec.europa.eu/justice/grants/priamos/index_en.htm.

! Note

You might be requested at any time during the evaluation process to provide additional documents or information. It is therefore important that you update your contact details in PRIAMOS, and that you ensure that it is always possible for the Commission to contact you, e.g. in case of absence of the contact person indicated.

2.2. The Application Package

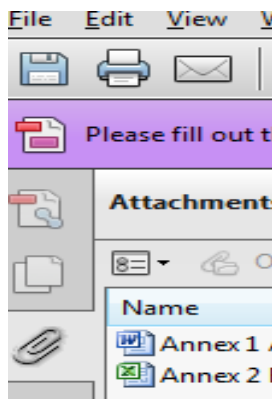
The Application Package is composed of the:

- Grant Application Form, and
- Annexes.

For the list of Annexes that must be submitted, please consult the call.

The Applicant must ensure that all required Annexes are attached to the Grant Application Form when it is uploaded in PRIAMOS.

Annexes for which a mandatory template must be used (e.g. Annexes 1, 2, 7, 8):



The mandatory templates are attached to the blank Grant Application Form that the Applicant will download from PRIAMOS. The Applicant will need to fill out and attach these files to the Grant Application Form in their original format (e.g. Word for Annexes 1 and 7, Excel for Annexes 2 and 8, etc.).

Please do not change the format and **do not print and scan these documents** for the purpose of submitting them.

Detailed information on how to fill out Annexes 1, 2, 7 and 8 can be found in Sections II.4, II.5 and II.6.

Annexes for which no mandatory template is provided:

The Applicant may use its own template and, once finalised, attach the documents to the Grant Application Form.

! Note

For easier reference, before attaching the Annexes to the Grant Application Form, please indicate the number of the Annex and its name in the filename when you save it on your local drive.

The Grant Application Form and all Annexes may be submitted in the language used for communication within the network, provided it is an official EU language. However, for reasons of efficiency the Commission would strongly advise Applicants to use English, French or German.

3. Grant Application Form⁴

3.1. Download the Grant Application Form

The Grant Application Form is an Adobe Acrobat (pdf) document which includes information about the Applicant and the proposed activities.

The Grant Application Form is available in PRIAMOS.

Before you start filling in the Grant Application Form, please verify:

- **the registration data of the Applicant and of the contact person:** you must verify that your data entered when registering for PRIAMOS is up-to-date, as this data is downloaded automatically onto the Grant Application Form and later used in the evaluation and, if successful, in the Grant Agreements. The registration data can be updated at any time. An email is sent to the contact person whenever changes are effected to the registration fields;
- **the Call Reference of the downloaded Grant Application Form:** you must verify that you have downloaded the correct Grant Application Form set for the call for proposals under which you intend to submit your application.

You can do that by verifying the **Call Reference** which is specific for each call for proposals and is clearly indicated in the text of the call. The **Call Reference** code is repeated on the upper right corner of the Grant Application Form.

The image shows the top portion of a PDF application form. At the top left is the European Commission logo, consisting of the European Union flag and the text 'European Commission'. To its right, the text 'EUROPEAN COMMISSION' and 'DIRECTORATE-GENERAL JUSTICE' is displayed, with 'Unit A4' below it. On the far right, a grey rectangular box contains the text 'Call Reference / Application ID' followed by a slash and a space, with a red circle drawn around it. Below this header section, the title 'APPLICATION FORM' is centered in a large, bold font, followed by 'FOR FRAMEWORK PARTNERSHIP AGREEMENTS' in a slightly smaller font. Below the title, a small line of text reads: 'Please read and complete this form with due care and in accordance with the Guide for Applicants. Please note that all fields marked with * are mandatory fields. If they are not filled out, the Application form cannot be uploaded in PRIAMOS.' At the bottom of the visible section, a large grey box contains the text 'FRAMEWORK PARTNERSHIP AGREEMENTS 2015 - 2017 & OPERATING GRANTS 2015'.

The **Application ID** number will be generated automatically, once you have uploaded your Grant Application Form in PRIAMOS.

In all subsequent correspondence related to your application, please always mention the **Reference Number** of the application (Call Reference + Application ID) in the subject field of letters/e-mails.

⁴ The legal base beneficiary and the monopoly are requested to fill out a similar Grant Application Form, however some of the requested information is different.

! Note

Each application must have one Reference Number.

If, before the deadline, you wish to modify an already submitted application, you must read carefully the relevant instructions in the PRIAMOS Guide:

http://ec.europa.eu/justice/grants/priamos/index_en.htm.

3.2. Fill in the Grant Application Form

! Note

The fields marked with an asterisk (*) are mandatory. You will only be able to upload your application if all the mandatory fields are filled in.

PROGRAMME & PRIORITY

Each Applicant may submit **only one application under this call** and must **select only one Priority** under which the application will be evaluated. For more information on the relevant priorities, please consult the call for proposals.

MAIN TYPE OF ACTIVITIES

Please indicate from the drop-down menu which is the *main* type of activities that you will implement. In case your proposal includes more than one type of activities, please select the main one.

Language of the proposal

This field requests information on the language you will use to fill in the Grant Application Form and Annexes 1, 2, 7 and 8. You are *not* expected to indicate here the country of registration of your organisation.

Please select the applicable language from the drop down menu.

For further information on language requirements, please consult section II.2.2. of this Guide.

Start date of the applicant's financial year

Start date of the applicant's financial year*:

Please indicate the start date of the applicant's financial year for 2015. When entering the start date, please use the following format: day/month/year or chose the date from the calendar that appears once you click on the arrow on the right hand side of the cell.

! Note

The start date of the applicant's financial year defines the beginning of the eligibility period for the grant related expenditure. Any costs incurred before this date or after the end of the financial year will not be eligible for that particular year⁵.

1. INFORMATION CONCERNING THE APPLICANT AND THE MEMBERS OF THE NETWORK**1.1. Identity of the applicant**

The fields with grey background are filled in automatically based on the information stored in the profile of the organisation on behalf of which the application is submitted (Registration data). Please always verify the registration data stored in your profile in PRIAMOS.

1.2. Bank details

Please provide the details of the bank account that should be used for this grant, in case your application is selected. Please note that the same information should be indicated also in the worksheet *Identification Form* of the Budget Form.

The bank account details should be provided in the form of the IBAN number and should not contain any spaces.

1.3. Authorised signatory legally representing the applicant

The name and the title of the legal representative are filled in automatically based on the registration data stored in the profile of the organisation on behalf of which the application is submitted. Please always verify the registration data stored in your profile in PRIAMOS.

If in the profile of your organisation multiple authorised signatories have been registered, please select the name and the title of the person who is authorised for this application.

This person should be authorised to enter into financially and legally binding commitments on behalf of the Applicant. Please note that the Commission may request a copy of the authorising decision.

⁵ With the exception of costs relating to the drafting of the final report, the final audit report and the bank guarantee (if applicable).

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 field, unless otherwise notified.

1.4. Contact person responsible for the application

All communication related to the application will be sent to the person whose name appears in this field and the contact details indicated here will be also entered in the Grant Agreements. The contact address may differ from the official address of the Applicant.

The fields with grey background are filled in automatically based on the registration data stored in the profile of the organisation. It is the contact information of the person who downloads the Grant Application Form from PRIAMOS.

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

1.5. Information about the Members of the Network

You must list here the Members of the network. Members established in eligible countries must be listed at the beginning of the list and Members established in non-eligible countries should follow.

There are 20 lines provided in the Grant Application Form. If the provided lines are not sufficient, please list the first 19 members of the network in the table and use line 20 to indicate that an additional Annex with the remaining information is attached to the Grant Application Form. You should name this additional Annex clearly (e.g. "Application Form 1.5. - additional information").

If the organisation submitting the application is one of the network members officially appointed as coordinator of the network, it should also be mentioned as one of the network members.

2. INFORMATION CONCERNING OTHER GRANTS/PROCUREMENT

2.1. Grant applications or offers submitted under other grant/procurement procedures by the applicant to EU institutions in the current year

List the EU grant applications (both operating and action grants) and procurement offers **submitted or expected to be submitted by the Applicant in the current year** (the year when the current application is submitted). In these fields you should list only proposals which are still at application stage, i.e. for which the results (if the application is awarded or rejected) are not yet published at the time of submission of your application.

The Applicant is required to inform DG Justice without any delay of any funding awarded by the Commission, other EU institutions or agencies, after the submission of the application, using the functional mailbox indicated in the call.

Applicant / Partner	Amount (Euro)
A	
A	
P	

You should indicate your role in the grant application/procurement offer (Applicant/Partner): If your organisation submitted the offer as applicant/coordinator/consortium leader etc. please select "A" from the drop down menu. If your organisation was participating as a member of a partnership/consortium select "P".

When entering the amount, indicate only the amount of the EU contribution your organisation is likely to receive, if the grant application/procurement offer is accepted, and not the entire

budget of the project/contract in question.

There are 20 lines provided in the Grant Application Form. If the provided lines are not sufficient, please list the first 19 applications in the table and use line 20 to indicate that an additional Annex with the remaining information is attached to the Grant Application Form. You should name this additional Annex clearly (e.g. “Application Form 2.1.- additional information”).

2.2. EU grants or contracts awarded to the applicant in the last 4 years.

Please list all the EU grants (both operating and action grants) and EU procurement contracts obtained by the Applicant during the previous 4 years.

When entering the amounts, indicate only the actual amount specific for your organisation, similarly to the table 2.1.

Example:

Your organisation participated in a consortium that obtained a grant in July 2011 for a 2 year period. The total grant amount was EUR 250.000 and the share of your organisation from this grant was 75.000 EUR.

The payment of the grant was foreseen in three instalments. In 2011 you have received 30.000 EUR pre-financing, in 2012 you have received 25.000 EUR as interim payment and finally in 2013 you received 20.000 as final payment.

At the stage of submitting your current application the financial accounts of your organisation for the financial year 2013 were not closed, therefore you submit as Annex 4 the official annual financial statements for the financial year 2011 & 2012 (being the last closed financial year for your organisation).

*In this case you should indicate in the column **"Amount received by applicant during the year of the latest certified accounts"** the amount 25.000 EUR and in the column **"Total amount of grant"** 75.000 EUR.*

There are 20 lines provided in the Grant Application Form. If the provided lines are not sufficient, please list the first 19 grants/procurement contracts in the table use line 20 to indicate that an additional Annex with the remaining information is attached to the Grant Application Form. You should name this additional Annex clearly (e.g. “Application Form 2.2. - additional information”).

3. 2015 – 2017 WORK PROGRAMME

3.1. Budget 2015-2017

Under these fields of the Grant Application Form you should present the budget estimate for the period 2015-2017.

The amounts indicated here should be identical to the ones indicated in Annex 2 – Estimate budget for 2015-2017. Therefore, we suggest that you fill in these fields only after you have completed and finalised the Annex 2. In case of discrepancy the information presented in the Annex 8 will prevail.

Please note that contribution requested for 2015 has grey background, i.e. it is filled automatically on the basis of the information that you put in part 4.1 of the Grant Application Form.

All amounts should have only two decimals.

3.2. Summary 2015-2017

In this field you must provide the reader with a clear understanding of the proposal's key objectives, as well as of main activities to be carried out in the period 2015-2017. You must also provide information about the groups of persons benefiting from the activities and the expected results. This field will contain the "business card" of your application and will be used for publication/dissemination purposes, if your application is selected.

The number of characters in this field is limited to 4000 characters with spaces.

Applicants are requested to present this information in bullet points using the structure indicated in the Grant Application Form.

For operational reasons the summary should be drafted in English, French or German.

The summary (the same text) should be copied into **Part 1 field 1.1.** of the *Annex 1 – Action Plan 2015-2017*.

4. OPERATING GRANT 2015

4.1. Budget 2015

Under these fields of the Grant Application Form you should present the budget estimate for the financial year 2015 per category of costs and incomes.

The amounts indicated here should be identical to the ones indicated in the worksheet *Forecast OPERATING Budget of the Annex 8 - Budget Form for 2015*. Therefore, we suggest that you fill in these fields only after you have completed and finalised the Budget Form. In case of discrepancy the information presented in the Annex 8 will prevail.

Please note that the fields with grey background are calculated automatically on the basis of the information that you put in the rest of the fields.

All amounts should have only two decimals.

Indirect costs (F) are not eligible for operating grants. The respective amount is set to 0,00 and cannot be altered.

4.2. Summary of the activities to be funded under the 2015 Operating Grant

In this field you must provide the reader with a clear understanding of the proposal's objectives, as well as of activities to be carried out in 2015. You must also provide information about the type and number of persons benefiting from the activities, the expected results and the concrete outputs. This field will contain the "business card" of your application and will be used for publication/dissemination purposes, if your application is awarded a grant.

The number of characters in this field is limited to 4000 characters with spaces.

Applicants are requested to present this information in bullet points using the structure indicated in the Grant Application Form.

For operational reasons the summary should be drafted in English, French or German.

The summary (the same text) should be copied into **Part 1 field 1.1.** of the *Annex 7 – Activities to be co-financed in 2015* and into the relevant field on **worksheet Identification Form - ID form** of the *Annex 8 - Budget Form for 2015*.

5. Quantitative reporting on policy-related outputs (Indicators) for the 2015 Operating Grant

In the field *Main type of activities* of the Grant Application Form you are asked to identify the *main* type of the activities you will implement. In part 5 of the Grant Application Form you are asked to provide more information on the outputs of all types of activities you aim to implement if you are awarded an operating grant for 2015, *including* the main type of activity.

In part 5 of the Grant Application Form the requested information is mainly quantitative and should focus on the final outputs of your activities.

Activities that could be co-financed are organised in four groups. The activities to be implemented may fall under one or more or all groups. It is not mandatory to include information under all types of activities; only the boxes relevant for the activities you will implement should be filled out.

While filling out this part, the following should be taken into account:

- **You should count each output only once.** If you consider that an output meets the criteria of more than one category, you should count it under the category that is most relevant to its objectives.
- You should group your outputs in the most appropriate way taking into account the objectives of the respective activities.
- You should be as specific as possible (e.g. in defining types of reports, groups of professionals etc.).
- Drop-down menus are provided for indicating the different types of reports/events/material or the groups of persons. These categories should be able to cover most types of outputs produced by your activities. You should try to identify the most relevant category for each output. Only if it is clearly impossible to allocate an output to a category, you can indicate yourself an additional category in the relevant box.
- You should avoid abbreviations, unless commonly used.
- You should be realistic in the level of your ambition: a successful application does not need to foresee outputs under each type of activity; neither should the number of these outputs be excessively high.
- You should not count in this part reports and meetings of purely internal nature, i.e. those necessary for the management, coordination, monitoring and evaluation of the activities⁶. Also interim and final reports requested by the Commission as part of the reporting on the implementation of your Specific Agreement should not be counted in this part.

More specific information on each category is indicated below:

5.1. Analytical activities

Under 5.1. you are asked to indicate the type of documents/reports to be produced.

⁶ This information should be included in Annex 7 – Activities to be co-financed in 2015, but it is not relevant for this part.

Under the column *Type of document/report*, you should indicate the category of the document/report and not its specific title. You should choose the relevant type from the drop-down menu and, if necessary, you can provide additional information in the second column.

As already mentioned above, reports of purely internal nature, i.e. those necessary for the management, coordination, monitoring and evaluation or interim and final reports requested by the Commission should not be counted here.

In this section you should list the relevant outputs of analytical activities, mainly those listed in *Annex 7, Part 2.2*.

You should not include here the outputs of the activities mentioned in *Annex 7, Part 2.1*.

Reports documenting how different activities were implemented are also considered as documents of internal nature and should not be counted here (e.g. conference report, seminar report, etc.).

5.2. Training activities

Under 5.2 the requested information refers to every type of training you will provide.

You should differentiate 5.2 (*training*) from 5.3 (*mutual learning, exchange of good practices, cooperation*): Under 5.2 you should count formal training activities, where a trainer aims to provide the participants with one specific set of information (knowledge, working tools etc.). Under 5.3 you should count activities where the participants come together bringing their different practices and aim to learn from each other. These activities may include at the end a learning aspect for the participants, however you should count them only once under 5.3.

In this section you should list the outputs of all relevant training activities included in *Annex 7, Part 2.3*.

You should not include here the outputs of the activities mentioned in *Annex 7, Part 2.1*.

Under 5.2.1 you should identify the *number of training events* to be organised. Each event addressing the same group of people with the same content should be counted as one, regardless of how many days this event may last.

Under 5.2.2 you should identify *the number of persons to be trained per group of persons*. It is possible to identify up to three different groups of persons for the whole grant: if you will provide training to more than three different sub-groups, please identify three wider groups and count the number of participants accordingly.

Under 5.2.3 you should count specific and practical training packages which include specific information/tools/methods, can be used as the basis to train others, can be reproduced in more than one event and can be used by trainers or organisations other than those of your organisation. It should not be an internal product limited only to the needs of your organisation or network.

You should count these training modules in terms of content: you should not count as separate training modules the different language version of the same training module, unless the content of each language version is different. Also you should not reflect here the number of copies of each training module.

5.3. Mutual learning, exchange of good practices, cooperation

Under 5.3 you are requested to provide information on the outputs of mutual learning,

exchange of good practices and cooperation activities that you will implement.

In this section you should list the relevant outputs of such activities included in *Annex 7, Part 2.2.* and *Part 2.3.*

You should not include here the outputs of the activities mentioned in *Annex 7, Part 2.1.*

Under 5.3.1 you should identify the *number of events* to be organised. Each event addressing the same group of people with the same content should be counted as one, regardless of how many days this event may last.

Under 5.3.2 you should identify *the number of participants per group of persons*. It is possible to identify up to three different groups of persons: if your activities will address more than three different sub-groups, please identify three wider groups and count the number of participants accordingly.

Under 5.3.3 you should indicate the total number of eligible countries from which the participants come from. The eligible countries are identified in the relevant call.

Under 5.3.4 you should reflect, if applicable, any result of the mutual learning/exchange of good practices/cooperation which will be sustained after the end of your activities. These outputs should not fall into any other of the remaining categories. They should be concrete and tangible and they should be maintained in the long-term after the end of your activity in a sustainable way.

5.4. Awareness-raising, information and dissemination

The events to be counted under 5.4 should focus on raising awareness, providing and disseminating information, i.e. spreading a specific message or piece of information to the wider public or to a specific group of persons (as appropriate). Events which focus on the exchange of views, on mutual learning, on development of cooperation should be counted under 5.3 and not under 5.4. In most cases the events to be counted under 5.3 would be more focused and more limited in terms of participants in comparison to the events to be counted under 5.4. A conference on the results of the activities would usually qualify as an activity to be counted under 5.4.

In this section you should list the outputs of all relevant awareness-raising, information and dissemination activities included in *Annex 7, Part 2.3.*

You should not include here the outputs of the activities mentioned in *Annex 7, Part 2. 1.*

Under 5.4.1 you should identify the *number of awareness-raising/information and dissemination events* to be organised. Each event with the same content should be counted as one, regardless of how many days this event may last. If you organise an awareness raising campaign in many countries, you should count each country campaign separately.

Under 5.4.2 you should identify *the group and the number of persons to be reached*. It is possible to identify up to three different target groups: if your activities have multiple target groups, please identify up to three wider target groups and count the number of participants accordingly.

Under 5.4.3 you should count all types of awareness raising material that you will produce. You should group them in up to three groups and count them accordingly.

6. DECLARATION BY THE APPLICANT

The declaration of the Applicant is an integral part of the Grant Application Form. **This**

declaration is a binding commitment on behalf of the Applicant.

The **date** is a mandatory box and must be filled out by the Applicant.

The **name and the title of the legal representative** are filled in automatically based on the information stored in the profile of the organisation on behalf of which the application is submitted. Please always verify the data stored in your profile in PRIAMOS before downloading the Grant Application Form. For further information on the update of the PRIAMOS profile, please consult the PRIAMOS Guide at http://ec.europa.eu/justice/grants/priamos/index_en.htm.

The Grant Application Form contains a notice on data protection and data handling issues. Applicants are advised to read it carefully.

! Note

NO blue ink signature is required!

There is no need to print and sign a paper copy of the Grant Application Form. You may do so for your own records, but the Commission does not require that you attach a scanned copy of any part of the Grant Application Form to the electronic version.

4. Annex 1 – Strategic plan for 2015-2017⁷

In this document you must provide some basic information about the Applicant and the network, as well as an overview of the key objectives and the main activities that the network aims to implement in the period 2015-2017. The information included in this document will be the basis for the evaluation of your application for a Framework Partnership Agreement.

The annual application for a 2015 operating grant and those applications that you will submit in the following years, if selected as a Framework Partner, should be in line with this strategic plan. Therefore, you should plan your objectives, activities and working methods with a long term vision, taking also into account the eventual developments in the environment where you operate.

You are expected to present in this document the general framework for your yearly 2015-2017 activities. Therefore, detailed information, such as the specific yearly outputs of your annual activities, is not requested in this document. This type of specific information will be requested from you annually, i.e. for 2015 in Annex 7.

The document is divided into two parts:

In **Part 1** you are requested to present the Applicant and the network and to give information about the expected results and impact of your activities, as well as information about the general framework of implementation (e.g. evaluation plan, human resources, etc) that you will put in place.

In **Part 2** you must present the key objectives and the respective main activities that you plan to implement.

These activities must be grouped together in one of the three available categories. These categories are the same in Annex 1 and Annex 7. Indications to help you allocate activities under each category are included in the Application Form. Besides these general indications, there is flexibility in the presentation of the activities.

1. Improving the organisational capacity and the management of the network

EU funding aims to support the functioning of EU networks. It should allow them to develop their structure and capacities, it should support them in performing more efficiently and effectively and it should contribute to the development of the EU networks into sustainable entities.

This category is intended for all activities related to the **general management and coordination of the network**, including the network's internal structure and management, its relations with its members and future/potential members, its staff policy and human resources policy, its financial independence and fundraising activities, etc.

⁷ This Annex is not applicable to legal base beneficiary and to the monopoly.

2. Contributing to the development of EU law/policies and to their implementation

The EU networks are key actors, which can play an important role in facilitating the flow of information between their members and the EU. On the one hand, they can provide practical experience and evidence regarding the situation on the ground and, on the other hand, they can translate these facts and experience into more conceptual tools and positions.

This category is intended e.g. for all **analytical activities** of the networks aiming to collect data and information, conduct research and studies, analyse problems and propose recommendations, debate key issues in the respective policy area, etc.

3. Building the capacity of the members of the network and/or training relevant practitioners and stakeholders and/or informing the general public

The EU networks are well placed stakeholders for disseminating information and transferring knowledge on EU law and policies to both specialised and general audiences.

This category is intended for activities related to **training, awareness-raising, dissemination, development of communication tools**, etc.

The template is a fill in enabled Word document. You can enter text only under the non-protected sections. The length of the text is not limited, however, you should aim to be concise and to the point.

When filling in the template, you should avoid repeating information under the different sections and always keep in mind that the evaluation of your application is solely based on the information provided in the Application package.

5. Annex 2 – Estimate budget for 2015-2017⁸

This Annex will provide the Commission with an estimate of the applicant's financial planning for the period 2015-2017.

This financial planning should cover the activities of the applicant for which co-financing will be requested from the Commission:

- **for 2015** the costs for these activities will be presented in detail in the worksheet *Forecast OPERATING Budget* of Annex 8-Budget Form for 2015 and in summary in the worksheet *Budget & Execution Summary* of the same Annex. Annex 2 follows the presentation of the worksheet *Budget & Execution Summary*. This presentation allows the Applicant to copy the information for 2015 from that worksheet.

- **for 2016 and 2017**, Annex 2 requests an estimate of expenses and income, which will cover the activities of the applicant for which co-financing will be requested from the Commission, i.e. the forward planning of the applicant's *Forecast Operating Budget* for the years 2016 and 2017 and not the *Total Annual Budget*⁹. Such estimate should be presented in summary, not in detail, on the basis of the main budget headings for costs and income. At this stage of the procedure no further detailed information will be requested from the Applicant concerning this estimate.

The budgets for all years must be balanced.

The document is protected and you may enter data only in the fields that you are supposed to fill in. These fields have white background.

⁸ This Annex is not applicable to legal base beneficiary and to the monopoly.

⁹ For more details on the difference between the network's *Forecast Operating Budget* and its *Total Annual Budget*, consult the call for proposals section 6.3. Financial provisions and section II.7.2 of this Guide.

6. Annex 7 – Activities to be co-financed in 2015¹⁰

In this document you must present in detail the concrete activities to be co-financed by the 2015 operating grant. The information included in this document will be the basis for the evaluation of your application for the 2015 Operating Grant. It will not be used for the selection of Framework Partners.

This document will be evaluated in reference to your 2015-2017 strategic plan (see section 5.2 criterion (a) of the call for proposals). Therefore, you should ensure that the 2015 activities and working methods are in line with the general framework presented in Annex 1. In case of discrepancies, a justification must be included.

In this document you need to be precise and refer to the activities for which co-financing is requested. The budget for these activities is the one presented on *Sheet Forecast OPERATING Budget* of Annex 8. In case the Applicant does not request funding for all its 2015 activities, then it must not include in Annex 7 activities for which co-financing is not requested.

You are also reminded that you should ensure coherence between this document, especially the sections on Outputs, and the information filled out in Section 5 of the Application Form. Please consult also the relevant part in Section II.3.2 of this Guide.

The document follows the structure of Annex 1 and is divided into two parts:

In **Part 1** you are requested to present details about the relevance and EU added value of your activities, as well as about important aspects of the implementation, such as evaluation, risk mitigation, ethical issues, etc.

In **Part 2** you must present the objectives, the concrete activities for which you request co-financing and the expected outputs. You are expected to present this information in a detailed manner providing all requested data.

The activities must be grouped together in one of the three available categories. These categories are the same in Annex 1 and Annex 7. Indications to help you allocate activities under each category are included in the Application Form. Besides these general indications, there is flexibility in the presentation of the activities.

1. Improving the organisational capacity and the management of the network

EU funding aims to support the functioning of EU networks. It should allow them to develop their structure and capacities, it should support them in performing more efficiently and effectively and it should contribute to the development of the EU networks into sustainable entities.

This category is intended for all activities related to the **general management and coordination of the network**, including the network's internal structure and management, its relations with its members and future/potential members, its staff policy and human resources policy, its financial independence and fundraising activities, etc.

¹⁰ For the legal base beneficiary and the monopoly this will be Annex 1.

2. Contributing to the development of EU law/policies and to their implementation

The EU networks are key actors, which can play an important role in facilitating the flow of information between their members and the EU. On the one hand, they can provide practical experience and evidence regarding the situation on the ground and, on the other hand, they can translate these facts and experience into more conceptual tools and positions.

This category is intended e.g. for all **analytical activities** of the networks aiming to collect data and information, conduct research and studies, analyse problems and propose recommendations, debate key issues in the respective policy area, etc.

3. Building the capacity of the members of the network and/or training relevant practitioners and stakeholders and/or informing the general public

The EU networks are well placed stakeholders for disseminating information and transferring knowledge on EU law and policies to both specialised and general audiences.

This category is intended for activities related to **training, awareness-raising, dissemination, development of communication tools**, etc.

The template is a “fill-in-enabled” Word document. You can enter text only under the non-protected sections. The length of the text is not limited, however, you should aim to be concise and to the point.

When filling in the template, you should avoid repeating information under the different sections and always keep in mind that the evaluation of your application is solely based on the information provided in the Application package.

7. Annex 8 – Budget Form for 2015¹¹

The **Budget Form for 2015** should include specific and clear financial information which will facilitate the evaluation of your proposal. It will be read together with the Grant Application Form and its Annexes. Inconsistencies between the forms, either in the planning of the activities (e.g. number or place of meetings, etc.), or in the terms used to describe each activity, will be evaluated unfavourably.

The Budget Form is an Excel document that is meant to be used during the whole lifetime of the grant (application, evaluation, selection for funding, implementation, final reporting).

The Budget Form consists of six worksheets:



Only the part of the Budget coloured green (*ID form, Forecast OPERATING Budget and TOTAL ANNUAL Budget*) is relevant for the application stage and should be filled in by the Applicant.

The document is protected and you may enter data only in the fields that you are supposed to fill in. These fields have **white background**.

The Budget Form is only accepted for evaluation if:

- the standard Budget Form template is used;
- the worksheets *ID Form, Forecast OPERATING Budget* and *TOTAL ANNUAL Budget* are filled in providing a detailed breakdown in Euro of the estimated expenditure and income.

7.1. Worksheet *Identification Form - ID form*

This worksheet includes general identification information on the activities to be funded and the Applicant. Please fill out all fields.

Please fill out:

- the ***title*** of the grant (please indicate: *Operating Grant 2015*);
- the ***legal name of the beneficiary***, i.e. of the Applicant (this information should be the same as in the field 1.1.1 of the Grant Application Form);
- the ***legal address*** of the Applicant (this information should be the identical to the information provided when registering the Applicant in PRIAMOS system);
- the ***eligibility period***: the start date and the end date of the Applicant's budgetary year (the start date should be the same as indicated in the relevant field of the Grant Application Form);
- the ***banking details*** of the Applicant (this information should be the same as in the field 1.2 of the Grant Application Form);

¹¹ For the legal base beneficiary and the monopoly this will be Annex 2.

- the **summary of activities** (this information should be the same as in the part 4.2 of the Grant Application Form and in the field 1.1 of Annex 7 – Activities to be co-financed in 2015).

The last field **Total amount requested from the Commission** is automatically filled out based on the information filled out in the worksheet **Forecast OPERATING Budget**.

7.2. Worksheet **Forecast OPERATING Budget**

This worksheet should include all specific **costs** necessary for the implementation of the activities to be co-financed. It should also include all sources of **income** (funds), both the amounts contributed by the Applicant and the funds contributed by any other third party.

Costs and income must be presented in Euro and must be in balance, i.e. total expenditure must be equal to total income.

100% of Estimated Expenditure		100% of Estimated income
<p>Eligible costs</p> <p>A = Staff</p> <p>B = Travel</p> <p>C = Equipment</p> <p>D = Consumables</p> <p>E = Other direct costs</p>	=	<p>Grant: EU contribution</p> <p>+</p> <p>Financial contributions specifically assigned by donors to the financing of the eligible costs & Income generated by the financed activities</p> <p>+</p> <p>Other income, including own contribution from beneficiary</p>

You should fill out all necessary information in the white part of the worksheet from line 22 onwards. You should fill out the information both for costs and for incomes in the same table.

All the eligible costs must be listed under headings A to E. The EU grant co-finances up to 80%¹² of these costs. The remaining percentage must be secured from other sources of funding.

There are specific rules concerning the eligibility of costs. For detailed rules on the eligibility of costs, please consult section V. ELIGIBILITY OF COSTS of this Guide.

! Note

The Forecast OPERATING Budget should not necessarily be equal to the TOTAL ANNUAL Budget of the organisation.

- If your organisation receives EU or other funding for the implementation of specific activities (e.g. action grant for a specific project), or

¹² This percentage is not applicable to the legal base beneficiary and to the monopoly. The relevant percentage is defined in the 2015 Annual Work Programme of the two Programmes.

- if your organisation implements a wide range of activities, some of which do not fall under the selected policy area, or if your total annual budget includes costs that are ineligible under this call for proposals, or if you choose not to request co-financing for certain costs,

then the costs for these activities should **not** appear in the *Forecast OPERATING Budget*.

These costs, together with the costs of the *Forecast OPERATING Budget*, should be presented in summary in the worksheet *TOTAL ANNUAL Budget*.

7.2.1. General information on the Budget Columns

Estimated Expenditure		%
A	Staff	0,00
B	Travel	0,00
C	Equipment	0,00
D	Consumables	0,00
E	Other direct costs	0,00
Total Eligible Costs		0,00
G	Contribution in kind	0,00
Total Costs		0,00
Estimated Income		
I	Financial contributions specifically assigned by donors to the financing of the eligible costs & income generated by the financed activities	0,00 #DIV/0!
K	Other income, including own contribution from the beneficiary/-ies	0,00 #DIV/0!
	EU Contribution	0,00 #DIV/0!
Total		0,00
G	Contribution in kind	0,00
Total Income		0,00

7.2.1.1. Overview tables: *Estimated Expenditure and Estimated Income*

The background of these tables is coloured. This means that you may not fill them out directly. They are automatically filled out on the basis of the information that you will input in the white cells of this worksheet (from line 22 onwards).

These tables present the total sum of the costs and incomes that you include. This presentation is shown per heading (A, B, C, D, E, G, I, K). This overview of the costs and incomes aims to assist you in filling out the white part of this worksheet.

No letter is indicated for the amount of EU contribution. **You cannot specify yourself the amount of EU contribution** that you request. The table calculates it automatically on the basis of the estimated costs and estimated income that you present in the table.

<i>Total Eligible Costs</i> $(A+B+C+D+E)$	=	<i>Financial contributions specifically assigned by donors to the financing of the eligible costs</i> <i>& Income generated by the financed activities</i> <i>(I)</i> + <i>Contribution from beneficiary</i> <i>(K)</i>	=	<i>EU Contribution</i>
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Specific checks are included in this table in the form of error messages¹³. They will warn you that there is an error, if:

- The EU Contribution exceeds 80% of the Total Eligible Costs.

Once the error is corrected, the error message will disappear.

7.2.1.2. Column *Budget heading*

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

Budget heading
A
B
C
D
E
G
I
K

A drop-down menu helps you to fill out this column. For each item (i.e. for each line) you must specify the type of cost/income by indicating the relevant letter in the column **Budget heading** (A, B, C, D, E, G, I, K).

For a quick reference to the meaning of each letter you may consult the overview tables Estimated Expenditure and Estimated Income on the top of the worksheet.

Every cost or income must be classified under one of the categories foreseen.

The column **Budget heading** has an inbuilt reminder to ensure that it is filled out: if an amount is foreseen in the column **Total EURO**, the relevant cell in the column **Budget heading** will turn red and it will remain red until the relevant letter (A, B, C, D, E, G, I, K) is filled out in the column **Budget heading**.

You cannot specify yourself the amount of EU contribution. The table calculates automatically the EU Contribution on the basis of the estimated costs and estimated income that you present on the table.

7.2.1.3. Column *Activity*

Please indicate the activity that each cost refers to. You should refer to the activities as indicated in Annex 1, Part 2.

7.2.1.4. Column *Description of item*

Costs: In the column *Description of item* you should provide a concrete description of each cost. The Budget aims at providing clear financial information, and this column should therefore not be filled out referring vaguely to activities (e.g. Training, Website, Leaflet etc.), but each entry should be a very specific cost (e.g. Salary for X trainers for X days, lay-out of website, airplane ticket for X persons from X place to X place, accommodation of X people for X days in place X, maintenance of website, lay-out of leaflet of X pages, printing of leaflet in X copies in X languages, translation of X document from X language to X language etc.). For detailed rules on each cost category, please consult section V.2. *Detailed Provisions on Eligible Expenditure* of this Guide.

¹³ This is not applicable to the Budget Form for the legal base beneficiary and for the monopoly.

Income: Please give additional information on the sources of income. Especially in case that you foresee under **I** income to be generated by the activities, you should provide details on the type of income and the way of calculation of the total amount.

7.2.1.5. Columns *Unit, Amount per unit in EURO and Number of units*

In these columns, you should present a detailed calculation of the cost with reference to the appropriate unit. These costs must be calculated on the basis of actual historical data, wherever possible. As a general rule, lump sums should be avoided.

7.2.1.6. Column *Total EURO*

In order to facilitate your work, this cell contains a formula for the calculation of the total amount (*Amount per unit in EURO x Number of units*).

! Note

This formula is not protected and may be deleted. It is your responsibility to ensure that the total amount per item (i.e. line) as stated in this cell is calculated correctly.

Please also note that the box *Subtotal of selected entries* does not show the total eligible costs. It is activated only if you use the filter under a column and it indicates each time the total amount of the filtered/selected entries.

! Note

All amounts should be indicated with two decimals.

e.g. 1.235,56.

7.2.1.7. Column *Additional information*

Applicants may provide here any necessary additional information.

7.2.2. Instructions on how to present specific categories of entries

Information on how to estimate costs under the headings **A**, **B**, **C**, **D** and **E** - and detail them in the *Forecast Budget Calculation* worksheet is included in section V.2. *Detailed Provisions on Eligible Expenditure* of this Guide.

(I)

Financial contributions specifically assigned by donors to the financing of the eligible costs & Income generated by the financed activities (I)

(K)

Other income, including own contribution from the beneficiary (K)

Any funding that should cover the costs of the co-financed activities other than the

grant requested from the EU should be indicated in the worksheet **Forecast OPERATING Budget**. This funding should be at least **20%** of the total eligible costs and may come from the Applicant or another organisation.

If the total amount of I+K is less than 20% of the Total Eligible Costs an error message will appear on the top of the table.

You should include separate entries for each source of co-financing and you should bear in mind the following clarifications:

- **(I) Financial contributions specifically assigned by donors to the financing of the eligible costs & Income generated by the financed activities**

Under **I** you should include financial contributions from donors, only if they are specifically assigned to cover eligible costs included in the *Forecast Budget Calculation*.

You should also include under **I** any income foreseen to be generated by the activities, such as participation fees for a conference, etc.

- **(K) Other income, including own contribution from the beneficiary** Under **K** you should include the contributions that the Applicant decides to allocate to the implementation of the activities, in order to ensure that EU co-financing is not higher than 80%¹⁴ of the total eligible costs. Other income, such as financial contributions that are not specifically assigned by donors to the financing of the eligible costs, but that will be used for the implementation of the activities to be co-financed, should also be included under **K**.

(G)

Contribution in kind (G)

Contributions in kind are not taken into account for the calculation of the co-financing and are not considered as eligible costs.

For more information, please consult section V.2.6. Contributions in Kind (heading G) of this Guide.

7.2.3. Functions inserted in the worksheet

- **Use of filters:**

Each column has a filter, which allows you to sort the entries (using the relevant arrow inserted in the title line). Sorting under multiple parameters is possible by using the filter-buttons of more than one column. The box **Subtotal of selected entries** on the top of the page is activated only if you use the filter and it indicates each time the total amount of the filtered/selected entries.

- **Use of functions: Copy-paste, Cut-paste, Insert line, delete line**

Only the upper part of the worksheet is locked and this allows you to copy, cut, insert and delete lines and cells. While using these functions (especially the cut-paste and insert), the formula in the column **Total EURO** is not reproduced in the new line. It is your responsibility to ensure that the calculation remains correct.

¹⁴ This percentage is not applicable to the legal base beneficiary and to the monopoly. The relevant percentage is defined in the 2015 Annual Work Programme of the two Programmes.

- **Printing of the Budget:**

For submitting the Application Package you do **not** need to print the Budget Form (only the electronic version should be attached to the Grant Application Form). However, if - for your personal use - you need to print the form, please note that the print area for the worksheet *Forecast Budget Calculation* is pre-set covering only lines 1-100. If you need to print a larger part of the worksheet, you may reset the print area.

- **Pivot tables:**

The locking parameters of this worksheet prevent the table from generating a Pivot Table directly from this worksheet. However, if – for your personal use – you wish to create a Pivot Table on the basis of this data, you may insert an additional worksheet and generate the Pivot Table there. Generating Pivot tables is not mandatory!

7.3. Worksheet *TOTAL ANNUAL Budget*

This worksheet aims to demonstrate the link between the costs to be covered by the operating grant and the total costs of the annual budget of the organisation.

If the organisation submits for funding ALL its foreseen activities for the financial year 2015 and if it will receive additional funds only to cover the remaining percentage of co-financing:

⇒ then the *TOTAL ANNUAL Budget* should be equal with the *Forecast OPERATING Budget*.

In this case please include in this worksheet the same costs and sources of income as in the sheet *Forecast OPERATING Budget*.

If the organisation DOES NOT submit for funding ALL its foreseen activities for the financial year 2015 (e.g. the organisation receives an EU action grant or funding from other donors in order to implement specific activities, or it implements a wide range of activities, some of which do not fall under the selected policy area):

⇒ then the *TOTAL ANNUAL Budget* should NOT be equal with the *Forecast OPERATING Budget*.

In this case you should include in the worksheet *TOTAL ANNUAL Budget* the total costs and income for all activities that your organisation will implement in 2015, both for the activities covered by the *Forecast OPERATING Budget* and for all other activities.

The presentation of this sheet should provide clear links to the sheet *Forecast OPERATING Budget*.

The sheet *TOTAL ANNUAL Budget* must indicate Expenditure and Income in EURO. In case your organisation is legally established in a country with a different currency and the annual budget of your organisation is not drafted in EURO, please convert the costs in EURO and indicate the exchange rate used.

You should use the monthly exchange rate published by InforEuro for the month of submission of your application: <http://ec.europa.eu/budget/inforeuro/index.cfm?Language=en>

Expenditure

The formatting of this sheet is simple (Description – Amount) and it allows you to follow **your own** structure and grouping of costs.

It is possible to be less detailed than in the sheet *Forecast OPERATING Budget* and indicate more global amounts. However, please note that your presentation should provide a clear link to the costs included in the *Forecast OPERATING Budget*.

Income

The simple formatting (Description – Amount) applies also to part Income. However, please respect the following rules:

- group your income under the following headings: **EU Funds, Other Funds**. This part of the document is not locked, so you can include as many lines as necessary under each heading.
- Under **EU funds** please indicate in a separate line the amount of the Operating Grant requested by the current application. It should be the amount that is calculated automatically in the sheet *Forecast OPERATING Budget* under *EU Contribution*. Please use separate lines for each grant/contract that you receive from the EU budget.
- Under **Other funds** please group your income under the following categories: **Donations, Subventions, Sales, Membership fees**.

7.4. Worksheet *Budget & Execution Summary*

This worksheet is not active for the Applicants, but can be used for their information.

Only the part of the table coloured green is relevant for the application stage. This part is a mirror of the summary table on top of the worksheet *Forecast Budget Calculation* and presents the totals per Budget heading. As already explained above, the EU Contribution is automatically calculated by deducting all Estimated Income (I+K) from the Total Eligible Costs (A+B+C+D+E).

<i>Total Eligible Costs</i> (A+B+C+D+E)	-	<div style="text-align: center;"> <i>Financial contributions specifically assigned by donors to the financing of the eligible costs & Income generated by the financed activities</i> (I) </div> <div style="text-align: center; margin-top: 10px;">+</div> <div style="text-align: center;"> <i>Contribution from beneficiary and other income (K)</i> </div>	=	<div style="text-align: center;"> <i>EU Contribution</i> </div>
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The parts of the table coloured blue and orange are not relevant at the application stage. They will be used for the final reporting and for the calculation of the final grant, only if your application will be selected for funding. They should remain empty at the application stage.

7.5. Worksheet *Detailed Budget Execution* & Worksheet *Cost Claim*

These worksheets (coloured blue and orange) are not relevant at the stage of application. You should not fill out these worksheets, but please remember that these worksheets will be used for reporting and the final calculation of the grant, if your proposal gets selected.

! Note

Annex 8 must be submitted using the mandatory template, which is attached to the blank Grant Application Form that the Applicant will download from PRIAMOS. The Applicant will need to fill out and attach this file to the Grant Application Form in its original format (Excel). Please do not change the format and **do not print and scan this document** for the purpose of submitting it.

III. HOW TO IMPLEMENT THE ACTIVITIES

1. Introduction

This section of the Guide is intended to serve as a management tool for Beneficiaries of Specific Agreements for operating grants for the year 2015 based on Framework Partnership Agreements. The text should provide useful guidance on the procedures foreseen in the Grant Agreements, as well as the procedures and working practices of DG Justice applicable to operating grants.

The main objectives of this section are to:

- Help the Beneficiaries efficiently implement the co-financed activities;
- Provide further guidance on rights and obligations arising from the Grant Agreements and their Annexes;
- Provide practical information about dealing with a range of circumstances that might arise during the lifetime of a grant;
- Provide guidance for the Beneficiaries on handling the financial side of their activities in such a way that financial statements can be readily drawn up when required for interim/final reporting purposes;
- Ensure the smoothest possible relations between the parties involved by:
 - setting out an operational framework for the grant in advance;
 - providing guidance about the way in which the Commission can/cannot assist the Beneficiaries during the lifetime of their grant;
 - informing the Beneficiaries about the principles applied for the assessment of the outputs of their activities.

! Note

The Commission shall presume that all parties to the relevant Grant Agreements have taken note of the contents of this Guide.

2. Legal and Administrative aspects of Grant Management

2.1. General Legal Framework

The Framework Partnership Agreement and the Specific Agreement are standard agreements and their terms and conditions may not be altered or be subject to negotiation.

The grants shall be carried out in accordance with the following documents (in order of precedence):

- The Framework Partnership Agreement and the Specific Agreement, including their annexes;
- The Call for Proposals;
- The Guide for Operating Grants to Framework Partners for the financial year 2015 (the present document).

2.2. Roles and obligations of the parties to the Grant Agreements

2.2.1. The Beneficiary

The Beneficiary is the organisation which signs the Grant Agreements and is entirely responsible to the Commission for the implementation of all co-financed activities, the dissemination of the outputs and for the overall management of the grant. This organisation is the single point of contact and correspondent for the Commission.

The Beneficiary alone is entitled to receive funds from the Commission.

! Note

Only costs incurred by the Beneficiary are considered eligible under the EU grant. Costs incurred by members of the network are not eligible.

2.2.2. The European Commission

2.2.2.1. Support

The daily management of the Beneficiary's activities remains his sole responsibility, but it is the Commission's aim to give advice and answer questions regarding the Grant Agreements. The name of the desk officer responsible for the file is communicated to each Beneficiary upon signature of the Grant Agreements.

All queries should be addressed to the functional mailbox indicated in the Grant Agreements, quoting the reference of the Grant Agreements in the subject of the message.

Besides the electronic version, all official correspondence, including the transmission of reports, must also be sent by standard or registered mail to:

European Commission
Directorate-General Justice
Directorate A
Unit A4: Programme Management
MO59 04/021

B-1049 Brussels
Belgium

! Note

All correspondence, including transmission of reports, must bear the reference number of the grant (number indicated in the Grant Agreements).

2.2.2.2. Control

The Commission will monitor grants through a variety of methods, so as to ensure that the Beneficiary submits technical and financial reports in accordance with the reporting requirements. These checks are in addition to any ex-post controls that may be carried out up to five (5) years from the date of any final payment or recovery of over-paid pre-financing.

The Commission shall ensure that the amount of its financial contribution is reduced or recovered if it finds irregularities, including non-compliance with the provisions of the Grant Agreements or with other aspects of the legal framework, or if it transpires that the activities have been subjected to a substantial change without the Commission's approval having being sought in due time.

Finally, preventive measures shall be put in place against fraud, corruption and any other illegal activities and, if irregularities are detected, effective, proportional and dissuasive penalties shall be applied in accordance with the Financial Regulation.

2.3. On-the-spot Visits and Audits

In addition to internal and external evaluation that may be carried out or commissioned by the Beneficiary as part of the co-financed activities, the Commission may organise external monitoring, ex-post evaluation or audit of grants awarded under its funding Programmes.

2.3.1. Monitoring visits

Beneficiaries may receive, during the implementation phase, a visit from a Commission official or an expert hired by the Commission. The main aim of these visits is to help and give advice to the Beneficiaries.

2.3.2. Evaluation visits

Following the completion of the co-financed activities, the Commission may decide to carry out an evaluation visit. These typically take place some months after the activities have ended and aim to assess the impact and outcomes of the grant.

Unlike monitoring visits, which aim to contribute to the implementation of the activities, the ex-post evaluation is also a review of the overall impact of the grant with a view to assessing the overall impact of the funding Programme in any given year and to constantly improve the Programme.

2.3.3. Audits¹⁵

The Commission or any representative authorised by the Commission may audit the Beneficiary at any time during the implementation of the activities and up to five years after the final payment of the Union's contribution (or recovery of overpaid pre-financing). The aim of the audit is to verify the use made of the Union's financial contribution by the Beneficiary.

The Commission or any authorised representative shall have access to the following documentation required to ascertain the eligibility of individual grant-specific cost items: invoices, payroll extracts, purchase orders, proofs of payment, timesheets and any other documents used for the calculation and presentation of costs. This list is not exhaustive.

The Commission shall take appropriate steps to ensure that its authorised representatives treat confidentially the data to which they shall have access or which shall be provided to them.

The Court of Auditors may also verify the use made of the Union's financial contribution in the framework of the Grant Agreements on the basis of its own procedures.

¹⁵ Not to be confused with the Certificate on the Final Financial Statement (see Section IV.2.4).

3. Operational & Substance-related aspects of Grant Management

3.1. General Management Culture

Each organisation has its own management culture that the Commission respects. However, this should not be discriminatory or otherwise contrary to the principles and values of the funding programme or provisions of law.

The Commission strongly encourages participatory decision-making processes, as well as the active involvement all stakeholders in the implementation of the co-financed activities. These approaches promote both ‘ownership’ of the activities and identification with their aims, which in turn contribute to the sustainability of the achieved results and help maximise the impact of EU funding.

3.2. European Added Value

Funding within the framework of financing programmes managed by DG Justice and covered by this Guide is only available to activities with a clear European added value. This means that activities must transcend national or local interests to become truly ‘European’ with European relevance, coverage and/or impact. The European added value is further defined in the call and in the financial programmes.

3.3. Visibility of Union Funding

Beneficiaries of EU funding are expected to give appropriate visibility to the European Union. Any communication or publication by the Beneficiary about the co-financed activities, including through websites, in print, at conferences or seminars, shall indicate that the activities have received funding from the European Union and shall display the European Union emblem. In the absence of such indication the costs related to this activity shall not be taken into account when establishing the value of the final grant.

Beneficiaries should follow the guidelines of the graphic chart and should implement the EU visual identity on all layouts and products.

A guide on "The use of the EU emblem in the context of EU programmes" is available at: http://ec.europa.eu/dgs/communication/services/visual_identity/pdf/use-emblem_en.pdf

The preferred option to communicate about EU funding is to write “Funded by the "name" Programme of the European Union” or “Co-funded by the "Name" Programme of the European Union¹⁶” as appropriate next to the EU emblem on the communication material.

If you have any technical questions regarding the use of the EU emblem in the context of EU programmes, please write to: comm-visual-identity@ec.europa.eu

¹⁶ Proposals falling under specific objective JCOO and JACC fall under the Justice Programme. The proposals under all other specific objectives fall under the Rights, Equality and Citizenship programme.

! Note

Although it is a requirement to acknowledge adequately the financial support provided by the EU, it is essential to avoid any confusion between your activities and the funding programme. Thus, to avoid potential confusion with the programme and its related websites and contact details, you should not use the programme's name in your publications, as a title of your website or in your e-mail address.

! Note

All publications have to include the following clearly visible disclaimer: *"This publication has been produced with the financial support of the xxxxx Programme of the European Union. The contents of this publication are the sole responsibility of <name of the author/contractor/Beneficiary> and can in no way be taken to reflect the views of the European Commission."*

3.4. Modifications of the co-financed activities

The Beneficiary must implement the activities as stipulated in the Grant Agreements and their Annexes. Modifications should only be made if they are justified and essential or they ensure a better implementation of the activities. Any significant modification of the activities requires an amendment of the Grant Agreements subject to the formalities described below¹⁷.

The Grant Agreements contain several Annexes, but only two Annexes of the Specific Agreement, Annex I-Activities to be co-financed in 2015 and Annex III - Estimated Budget, could be the subject of modifications.

Any request for modification must be addressed to the Commission by the Beneficiary's legal representative or contact person in sufficient time before the changes would take effect. No request for modification will be accepted within the final month of implementation.

All modifications to the activities must be duly explained and justified. The Beneficiary must clearly outline the management and financial implications of the modification requested or proposed.

The Commission will examine the request for modification and inform the Beneficiary by e-mail or in writing as to whether the request for modification is accepted or rejected.

Where necessary, a written amendment to the Grant Agreements to be signed by both parties will be issued. Under no circumstances will either party be contractually bound by any verbal agreement. Any request for changes that fundamentally alters the overall objectives of the co-financed activities or that calls into question the decision to award the grant shall be rejected.

Below is a non-exhaustive list of changes that must be communicated to the Commission, with the supporting documents that should be submitted. It may be that, after review, the

¹⁷ Unauthorised changes may prompt the Commission to terminate the Framework Partnership Agreement of the Specific Agreement and request reimbursement of payments already made or to disallow all related costs when establishing the amount of the final grant.

Commission shall request additional documentation or clarification before communicating its decision.

	Type of Modification	Procedural Requirements & Supporting Documents
I. Administrative Changes	Change of legal representative	<ul style="list-style-type: none"> Formal letter (with signature of the new representative); Official proof of nomination.
	Change of contact person/contact address	<ul style="list-style-type: none"> Informal notification.
	Change of legal address	<ul style="list-style-type: none"> Formal letter; New Legal Entity form http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm; Extract from the register, mentioning the new address or copy of the official gazette in which the change of address is published.
	Change of bank account	<ul style="list-style-type: none"> Formal letter listing all the grants managed by DG Justice affected by the change; A Financial Identification form signed by the bank or accompanied by a bank statement http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm.
	Change of name, change in legal personality of the Beneficiary	<ul style="list-style-type: none"> Formal letter, listing all the grants managed by DG Justice affected by the change; New Legal Entity Form http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm; Extract from the register mentioning the change. In case of a merger or take-over this official document must stipulate that all assets and liabilities of the former organisation are transferred to the new entity.
II. Staff Changes	Key staff changes	<ul style="list-style-type: none"> Informal notification; New CVs; Revised estimated budget.

III. Timescale changes	Change to the reporting schedule	<ul style="list-style-type: none"> • Informal notification explaining why the report cannot be submitted on time and proposing new reporting dates.
IV. Budget Modifications	Modification of budget estimate involving transfer(s) between headings below 20% of a budget heading	<ul style="list-style-type: none"> • Informal communication of the intended modification (by e-mail) explaining and justifying the changes; • Revised Annex III highlighting the changes.
	Modification of budget estimate involving transfer(s) between headings exceeding 20% of a budget heading	<ul style="list-style-type: none"> • Formal letter explaining the changes and the reasons together with the value-added factors of the change; • Revised Annex III highlighting all changes.
V. Change(s) to the Content of the activities	Non-substantial changes in the activities contained in Annex I to the Specific Agreement	<ul style="list-style-type: none"> • Informal communication explaining the nature of changes, as well as the need for them; • A revised version of Annex III highlighting the financial impact of such changes (if applicable); • Any requests for key staff changes must also be accompanied by the relevant CVs and are subject to (at least tacit) approval by the Commission.
	Substantial changes in the activities contained in Annex I to the Specific Agreement. N.B.: Requests for substantial changes to the co-financed activities may only be granted where these changes clearly improve the European value added and do not affect the attainment of any of the objectives outlined in the original application.	<ul style="list-style-type: none"> • Formal letter outlining the reasons as to why this change is essential to provide added value to the original outcome of the grant as presented in the application; • Revised Annexes I and III highlighting all the changes to the co-financed activities and their financial impact.

4. Financial aspects of Grant Management

4.1. General Principles

The amount of the grant foreseen in the Specific Agreement is a maximum amount.

The final amount of the grant is determined by applying the percentage of EU contribution indicated in the Specific Agreement to the actual eligible costs incurred by the Beneficiary subject to three limitations namely:

- 1) The absolute value of the grant may not exceed the amount indicated in the Specific Agreement (however, based on the actual eligible costs, the final amount may be lower than the maximum amount indicated in the Specific Agreement).
- 2) The percentage of the total eligible costs covered by the EU grant may not be higher than the maximum percentage foreseen in the Specific Agreement.
- 3) In case the activities generated a profit, the final amount of the grant will be reduced. Profit shall mean a surplus of the receipts over the eligible costs of the activities. The receipts to be taken into account are the consolidated receipts established, generated or confirmed on the date on which the request for payment of the balance is drawn up, which fall within one of the following two categories:
 - Income generated by the activities;
 - Financial contributions specifically assigned by the donors to the financing of the eligible costs of the activities.

The Commission reserves the right to suspend or reduce the payment of the outstanding balance of the grant or even to require reimbursement of pre-financing amount already paid if the activities carried out do not conform to the conditions, activities and outputs, as described in the application for the grant awarded, as well as the terms and conditions of the Grant Agreements, or if the total eligible costs are not sufficient to justify the pre-financing payment.

! Note

The EU grant is intended to co-finance the co-financed activities for which it has been awarded as a whole. Therefore all relevant expenditure and income shall be reported in the financial statement and not only the expenditure covered by the EU grant.

! Note

Whenever the Beneficiary reduces its financial contribution, it will have to find the necessary resources to ensure correct implementation of the activities. In no case shall the Commission increase its contribution or the rate of co-financing.

4.2. Payment schedule

As a general rule, the co-funding is provided in two instalments:

- a pre-financing payment of up to 80% of the Commission's contribution (amount of the grant) may be made available. If so, then it is paid within 30 calendar days following receipt by the Commission of the signed Specific Agreement.
- a final payment, that is the payment of the balance to be paid after receipt and approval by the Commission of the final technical report, final financial statement and the certificate on the financial statement.

However based on an individual risk assessment (weak financial capacity), the Commission may:

- lower the percentage of the pre-financing;
- introduce a second pre-financing or an interim payment;
- request financial guarantees from the Beneficiary covering the amount of the pre-financing payment(s) until the final balance has been paid;
- give no pre-financing at all.

These additional conditions will be communicated to the Beneficiary together with the notification on awarding a grant and will be set out in the Grant Agreements.

The level of pre-financing may also be lowered to respond to a shortage of payment appropriations, imposed by the budgetary authority.

4.3. Bank Account

The Commission shall transfer funds due into the account specified in the Specific Agreement. This account must be:

- In the name of the Beneficiary organisation. Under no circumstances are personal accounts or accounts of any third party organisation accepted;
- The account may be specific for this grant or a general account.

! Note

Where a general account is used, the Beneficiary must ensure that the funds specific to this grant paid by the Commission (or other sources), as well as the expenditure related to this grant are clearly identifiable.

4.4. Accounting and Internal Control

The Beneficiary must establish an analytical accounting system as well as an adequate internal control system to ensure that:

- Source(s) of funding (income) for the co-financed activities is/are identified;
- The expenditure incurred and charged for the implementation of the co-financed activities during the contractual implementation period is identifiable and verifiable, duly recorded and authorised;

- Insofar as a bank account specific for this grant is not opened, it is strongly recommended that the Beneficiary sets up in its accounting system a cost-revenue centre specific to the grant, so as to have a clear segregation enabling easy tracking between the ledger entry references and references used in the final (Excel) reporting table to be submitted to the Commission.

All transactions, for activities or services rendered during the implementation period of the grant, relating to actual expenditure/income specific to this grant must be recorded systematically in the Beneficiary's accounts.

All expenditure must be duly supported by adequate documentation. Any cost item entry not documented or not adequately supported cannot be taken into account when establishing the final amount of the grant. Under the terms of the Grant Agreements all records and supporting documentation must be kept for a period of five (5) years after the date of the payment of the final balance or recovery of over-paid pre-financing. This date is counted as from the date of debit from the accounts of the European Commission (for final payments) or from the date on which recovered funds are credited to the Commission account specified in the debit note (in the event of a recovery of over-paid pre-financing by the Commission).

IV. HOW TO REPORT

1. Introduction

The level and frequency of reporting is determined in the articles of the Grant Agreements, as is the content of each reporting package. No report is required for a standard pre-financing. In case of a modified payment schedule (cf. section III.4.2), reporting requirements are also specified in the Grant Agreements.

2. Final report and request for final payment

The request for final payment should be accompanied by a final report. The final report consists of:

- The signed final technical report, including the quantitative reporting on policy-related outputs (Indicators);
- The final outputs;
- The final financial statement, including the signed cost claim;
- A certificate on the financial statement from an independent auditor in conformity with the template attached to the Specific Agreement.

The complete final report shall be submitted in one paper copy and one electronic version within 60 calendar days following the end of the eligibility period.

! Note

The final report is considered received when the complete set of documents has been received by DG Justice in both hard copy and electronic format.

! Note

The Beneficiaries must ensure consistency within and between all documents submitted as part of the Final Report.

2.1. Final technical report

In the final technical report the Beneficiary must provide detailed information on the implementation of the activities and the achieved results. This document will be used in two ways. Firstly, to evaluate the results against the content of Annex I to the Specific Agreement in order to verify that the results correspond in terms of both quality and content to what was described when applying for the grant. Secondly, to ensure coherence between the financial statement and the activities undertaken.

The reporting template is published on the website of DG Justice, on the specific webpage for the respective call for proposals and contains detailed instructions; no other format is accepted. It consists of a series of questions meant to help the Beneficiary provide a clear

focussed report that can be easily understood. The report (or any part thereof) may also be ultimately published by the Commission. As a consequence, the report should provide information enabling any reader to:

- Understand the Beneficiary's activities – why they were implemented, how they were implemented (methodology), etc.;
- Understand the achieved results, their added value and the lessons learned;
- Understand what problems or difficulties were encountered and how they were overcome;
- Be guided to further sources of information in the area covered by the activities.

2.2. Final Outputs

The final outputs can comprise:

- One sample of each finalised output produced by the grant: e.g. reports, surveys, publications, flyers, posters, promotional material, such as T-shirt, mugs, caps, training material;
- Agendas/programmes and signed attendance lists of meetings, conferences etc.;
- Minutes of meetings, presentations and proceedings of conferences, etc. (preferably in electronic format);
- Results of the evaluations/feedback given by participants and facilitators/trainers at the end of a seminar/training/conferences;
- Evaluation reports (if applicable).

The final outputs should be presented in their actual format (e.g. books and promotion materials should be physically included in the package and, wherever possible, also in electronic format).

2.3. Final Financial Statement

Before finalising the Final Financial Statement, Beneficiaries are invited to read carefully section V. ELIGIBILITY OF COSTS.

The template of the final financial statement is included in Annex III to your Specific Agreement.

The Beneficiaries must fill out the worksheets *Detailed Budget Execution* and *Cost Claim for Final Payment*, i.e. the worksheets coloured blue in the Excel workbook that was used during the implementation of the activities. The last version of this Excel workbook, reflecting the changes of the last amendments (if any), must be used. The filled out workbook needs to be submitted in its Excel format, not in a PDF or a scanned format.

The document consists of six worksheets:



The first three worksheets (in green) have been filled at application stage.

The Beneficiary should fill in the last two ones (in blue) at the reporting stage. The file is protected and data may only be entered in the fields that have a white background.

The worksheet *Budget & Execution Summary* (in orange) is calculated automatically on the basis of data entered in the other worksheets.

Additionally, it is strongly recommended that the Beneficiaries fill out and submit the additional worksheet *Staff Cost Calculation*.

2.3.1. Worksheet *Detailed Budget Execution*

2.3.1.1. General principles

The final financial statement should reflect all expenses related to the implementation of the co-financed activities and registered in the official account of the Beneficiary during the period of eligibility. It includes clear financial information relevant to the implementation of the activities, consistent with the Beneficiary's official accounts and with the agreed budget.

The costs should be presented following the layout of the original budget (Annex III of the Specific Agreement), as this helps in the examination of their eligibility. The *Detailed Budget Execution* will be read together with the *Forecast Operating Budget*, the Annex I of the Specific Agreement and the final technical report. Any major deviations between the costs foreseen (amount or type) and those implemented should be explained in the final technical report.

! Note

All deviations between budgeted and actual costs must be explained and insofar as they exceed 20% of the relevant budget heading (the heading for which the transferred amount is intended), they are subject to prior approval of the Commission within the framework of an amendment (see modification procedure). Insofar deviations above 20% have not been previously communicated to the Commission and approved in a formal amendment, they will not be considered eligible.

All costs have to be declared under the same budget heading as foreseen in the most recent approved version of Annex III of the Specific Agreement.

Each individual cost should be reported separately, which means that each line must correspond to only one specific accounting entry within the Beneficiary ledger. (The only exceptions are related to staff costs, see below.)

Individual costs may be presented in sequence by activities (e.g. Conference X, Publication Y, Website Z) within each budget heading (with the exception of staff costs – cf. section IV.2.1.6 below).

Every line must be duly filled in. When the final report package is submitted, only the final outputs are required (see section IV.2.1.). Supporting documentation for the final financial statement (copies of invoices, salary slips, proofs of payments, etc.) is not requested at the time of submission of final report, but may be requested afterwards by the Commission. Therefore financial supporting documentation needs to be numbered according to the accounting references given in the financial statement.

2.3.1.2. Column *Budget heading*

A drop-down menu helps you fill out this column. Only the letters contained in this drop-down menu are allowed to be indicated here. Those letters refer either to a given category of costs (headings A to G) or of income (headings I and K). The pre-financing received (J) should also be indicated here.

For a quick reference to the meaning of each letter you may consult the overview table on the top of the worksheet.

Every cost or income must be classified under one of the categories foreseen.

The column ***Budget heading*** has an inbuilt reminder to ensure that it is filled out: if an amount is foreseen in the column ***Amount in currency***, the relevant cell in the column ***Budget heading*** will turn red and it will remain red until the relevant letter (A, B, C, D, E, G, I, K, J) is filled out in the column ***Budget heading***.

This budget heading is very important as it is the sorting base for the calculations of the consolidated amounts appearing in the worksheet *Budget & Execution Summary*.

2.3.1.3. Column *Activity/Output*

This column is meant to establish a clear link between costs reported in the final financial statement and the activities and outputs described in the final technical report. It should include short descriptions such as:

- First management meeting in X;
- Steering Committee meeting in X;
- Conference in X;
- Publication on topic X;
- Leaflet on topic X;
- Website;
- On-line survey;
- etc.

2.3.1.4. Column *Accounting reference*

The internal accounting reference of the Beneficiary must be reported here. This column is very important for the Commission and the Beneficiary as it allows to link individual cost declared with the Beneficiary's official accounts. It also allows Beneficiaries to quickly identify and provide any justifying accounting documents requested by the Commission.

2.3.1.5. Column *Name of supplier/employee to whom the amount was paid*

For staff costs (A): name of the employee to whom the salary was paid.

For travel costs (B): name of the employee to whom the travel and subsistence costs were reimbursed, name of the agency where the travel ticket was bought, etc.

For all other categories: name of the supplier of goods, the sub-contractor or the service provider.

2.3.1.6. Column *Date/period or duration when the activity took place*

For staff costs (A) paid in EURO: The whole period of work of a given person during the eligibility period of the grant should be indicated here. The corresponding total cost (salary + social charges) referring to that period should be summed up in the column ***Amount in currency***.

For staff costs (A) paid in other currencies than EURO: the reporting of the staff cost must be done per person on a monthly basis, to ease the conversion to EURO.

For travel and subsistence costs (B): The dates when the travel/meeting took place should be indicated here. Travel costs relating to the same activity (meeting, conference, etc.) should be presented in sequences by specific activities and then by person making the distinction between travel cost and subsistence costs.

For all other categories: The date to be reported here is the date of delivery of goods, or when the activity (services) took place (and not the date when the invoice was issued or when the payment was made).

2.3.1.7. Column *Description of item*

For cost categories A, B, C, D, E: This column is meant to provide a concrete description of the type of costs incurred. Please refer to Section V.2. *Detailed Provisions on Eligible Expenditure* for detailed instructions on how to fill out this column for each cost category.

This description must be precise and clear, as it should allow the Commission to assess the relevance of the cost to the co-financed activities. It should also correspond as much as possible to the cost descriptions foreseen in the ***Forecast Operating Budget***.

For Income I - Financial contributions specifically assigned by donors to the financing of the eligible costs & Income generated by the financed activities: You should mention here financial contributions from donors, only if they are specifically assigned to cover eligible costs of the co-financed activities, as well as income generated by the co-financed activities (e.g. sale of book, conference fees, etc.).

For Income K - Other income, including own contribution from the beneficiary: All other incomes have to be declared here. Other income, such as financial contributions not specifically assigned by donors to the financing of the eligible costs, but that are used for the implementation of the co-financed activities, should also be included under K.

2.3.1.8. Column *Date of payment*

This column must show the date when the expense was paid by the Beneficiary. It will be used to define the correct exchange rate.

2.3.1.9. Column *Amount in currency*

Costs must be reported in the currency in which they were originally incurred. This means that costs must be reported in the currency invoiced.

Only the actual amounts duly justifiable through relevant accounting documents must be reported here.

Where applicable only the depreciation of cost for equipment should be indicated.

2.3.1.10. Column *Currency*

Please indicate the ISO code of the currency used on the invoice.

The list of the ISO codes of the different currencies can be found in the InforEuro website (<http://ec.europa.eu/budget/inforeuro>).

2.3.1.11. Column *Exchange rate*

Unless otherwise specified in the Grant Agreements, conversion into EUR should be made at the monthly exchange rate established by the Commission and published on its website (<http://ec.europa.eu/budget/inforeuro>) for the month during which the declared costs were **paid** by the Beneficiary.

Beneficiaries holding their accounts in EUR shall convert costs incurred in another currency into EUR according to their usual accounting practice.

2.3.1.12. Column *Total EURO*

This cell contains a formula for the calculation of the total amount (*Amount in currency x rate*).

! Note

This formula is not protected and may be deleted. It is the Beneficiary's responsibility to ensure that the total amount per item (i.e. line) as stated in this cell is calculated correctly.

2.3.1.13. Column *Additional information*

Any necessary additional information and clarifications should be included here. Deviations from the ***Forecast Operating Budget***, if any, may be explained here.

Where applicable, the equipment's full purchase price and the depreciation rule applied should be detailed here.

2.3.1.14. Functions inserted in the worksheet

- Use of filters:**

Each column has a filter, which allows you to sort the entries (using the relevant arrow inserted in the title line). Sorting under multiple parameters is possible by using the filter-buttons of more than one column. The box ***Subtotal of selected entries*** on the top of the page is activated only if you use the filter and it indicates each time the total amount of the filtered/selected entries.

- Use of functions: Copy-paste, Cut-paste, Insert line, delete line**

Only the upper part of the worksheet is locked and this allows you to copy, cut, insert and delete lines and cells. While using these functions (especially the cut-paste and insert), please note that the formula in the column ***Total EURO*** is not reproduced in the new line. It is your responsibility to ensure that the calculation remains correct.

- **Printing of the Budget:**

Please note that the print area for the worksheet is pre-set covering only lines 1-35. If you need to print a larger part of the worksheet, you may reset the print area.

- **Pivot tables:**

The locking parameters of this worksheet prevent the table from generating a Pivot Table directly from this worksheet. However, if – for your personal use – you wish to create a Pivot Table on the basis of this data, you may insert an additional worksheet and generate the Pivot Table there. Generating Pivot tables is not mandatory!

2.3.2. Worksheet *Cost Claim*

The Beneficiary should fill in all cells with a white background. Cells with a yellow background are automatically filled in with the data already entered in other worksheets.

The Beneficiary should indicate here the details of the bank account where it wants the Commission to transfer its final payment. If this bank account differs from the one indicated in the Specific Agreement or its subsequent amendment, a specific form should be attached to your request for payment. This form is available at:

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

The name, title and function of the legal representative of the Beneficiary must be indicated.

! Note

The Beneficiary should not forget to print the Cost Claim and have it signed by its legal representative.

2.3.3. Worksheet *Staff Cost Calculation*

The worksheet *Staff Cost Calculation* is a *separate* excel document available on the website of DG Justice, on the specific webpage for the respective call for proposals. It is not a compulsory document as such, but contains the minimum requirements accepted by DG Justice in terms of staff costs reporting. It is therefore strongly suggested to use it and attach it to your final reporting package, as it will ease and accelerate the final payment.

The worksheet *Staff Cost Calculation* is meant to facilitate the calculation of daily/hourly rates and costs to be reported for staff members spending only part of their time working for the implementation of the co-financed activities. For further explanations on the calculation method for staff costs, please consult section V.2.1.2.1 of this Guide.

Beneficiaries should fill in one table/worksheet per person and per year, and therefore copy the table/worksheet as many times as needed.

In the first part of the worksheet, Beneficiaries should indicate general data regarding the staff member concerned by the calculation:

- Reference number of the Specific Agreement;
- Name of the Beneficiary (employer);

- Employee's name;
- Employee's function;
- Year for which the calculation is made;
- Time unit: days or hours to be selected from a drop-down list depending on the time unit used for the timesheets.

The second part of the worksheet includes a table that should be filled in regardless of whether the employee worked for the grant throughout the year or only during a few weeks. All lines, from January to December, should be filled in with the following data.

Calculation of staff annual cost

Beneficiaries should indicate amounts in the currency in which they were paid:

- column C: gross salary, as shown by the payslip of that month;
- column D: holiday allowance, as shown by the payslip of that month, when applicable;
- column E: employer's contribution to statutory pension scheme;
- column F: employer's contribution to social security;
- column G: other employer's statutory staff costs not included in the previous columns, when applicable (a description should then be provided in the box below the table).

The employer's total cost in local currency (column H) is automatically calculated by the table.

Calculation of annual productive hours worked

Beneficiaries should indicate working time in days or hours as shown by the timesheets:

- column I: time worked on this grant;
- column J: time worked on other activities or other projects.

The total working time for that year (column K) is automatically calculated by the table.

Calculation of grant related staff costs

Beneficiaries should indicate the exchange rate applicable for that month as per InforEuro (column M).

The total statutory cost related to the grant per month, in local currency (column L) and the total statutory cost related to the grant per month, in EURO (column N) are automatically calculated by the table.

The third part of the worksheet includes a small table (highlighted in yellow) summarising the calculation of the daily/hourly rate applicable for the given year. It is blocked and contains formulas based on the data introduced in the other parts of the worksheet.

2.4. Certificate on the Final Financial Statement

The Beneficiary must provide a certificate on the financial statements at the time of presentation of the final reports. Terms of reference and certificate template are an Annex to the Grant Agreements and must be used by the external auditor. This certificate shall be commissioned by the Beneficiary and its costs may be included in the *Forecast Operating*

Budget. For the purpose of this certificate, it is strongly recommended that the Beneficiary establishes a separate cost-revenue centre in their accounting ledger specific to the grant. This allows for a grant-specific audit to be conducted and provides for a clearer audit trail as the expenditure and revenue are contained within this accounting reference thus facilitating the control of any supporting documentation.

V. ELIGIBILITY OF COSTS

1. General Provisions on Eligible Expenditure

The Commission can co-finance only those costs which are eligible according to the Grant Agreements signed between the Commission and the Beneficiary.

1.1. Eligible costs

Eligible costs are those which are actually incurred by the Beneficiary who signed the Grant Agreements and which meet the following criteria:

- they are incurred during the eligibility period, with the exception of costs relating to the request for payment of the balance and the corresponding supporting documents (i.e. final reports and audit certificates);

! Note

Where the output of co-financed activities includes a publication the Beneficiary must ensure that sufficient time is allowed within the implementation period to be able to complete this action.

- they are indicated in the *Forecast Operating Budget* annexed to the Specific Agreement;
- they are incurred in connection with the co-financed activities and are necessary for their implementation;
- 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 with the usual cost accounting practices of the Beneficiary;

! Note for the final reporting

Only costs incurred by the Beneficiary can be reported. Costs incurred by members of the network are not eligible.

The costs reported in the documentation provided in support of a request for a final payment must correspond to actual payments made by the Beneficiary (supported by invoices or accounting documents of equivalent value) in exchange for the provision of goods or performance of services. Payment must have taken place at the latest at the time of the final report. Claims related to the estimated value of goods provided or services rendered without payment shall not be taken into consideration for the purpose of calculating the total eligible costs and the final value of the grant. Where national taxation and accounting rules do not require an invoice, an accounting document of equivalent value shall be supplied, i.e. any document that is produced in order to prove that the accounting entry is accurate and that complies with the applicable accounting law.

- they comply with the requirements of applicable tax and social legislation;
- they are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency;
- as a rule, they relate to activities taking place in an eligible country.

! Note on eligible countries

As a rule, the expenditure must also relate to activities taking place in an eligible country. Specific information concerning the eligible countries is provided in the relevant call for proposals. Any costs relating to activities undertaken outside of the eligible countries will normally be considered as out of scope of the funding programme and thus as non-eligible, as the funding programmes of DG Justice concern internal EU policies. Only where the Beneficiary can adequately justify that these activities are vital for the implementation of its annual work programme and maximise its European added value, and where they contribute to achieving the objectives of the funding programme, could such costs be accepted as eligible (subject to prior explicit approval by the Commission).

1.2. Ineligible costs

In addition to any other costs which do not fulfill the conditions set out under section V.1.1. above, the following costs shall not be considered eligible:

- return on capital;
- debt and debt service charges;
- provisions for losses or debts;
- interest owed;
- doubtful debts;
- exchange losses;
- the insurance premium against risk of exchange rate losses;
- costs of transfers from the Commission charged by the bank of the Beneficiary;
- costs declared by the Beneficiary in the framework of another action receiving a grant financed from the Union budget (including grants awarded by a Member State and financed from the Union budget and grants awarded by other bodies than the Commission for the purpose of implementing the Union budget);
- excessive or reckless expenditure;
- deductible VAT: if, for a specific cost, the Beneficiary can deduct VAT on its sales, this VAT is not eligible under the grant as it does not consist in a cost for the Beneficiary;
- taxes for which the contractor is liable in its capacity as a business entity (e.g. IRAP in Italy, Gewerbesteuer in Germany). Especially when the tax itself is not a part of the salary or the payroll for staff assigned to the grant, or other legal costs included in the remuneration. That kind of tax is actually payable by the entity or by the person subject to

its productive activity in general. Therefore, it is not a necessary cost for the implementation of the grant and is not considered as eligible;

- expenditure incurred outside the eligibility period;
- travel, subsistence and any other fees for any staff or elected representative of any EU institutions/agencies;
- gifts and presents;
- recreational/touristic/cultural activities;
- costs incurred in relation to activities not foreseen in Annex I;
- costs not entailing a cash flow for the Beneficiary;
- costs incurred for the production of communication material, including notice boards and websites, not mentioning that the Beneficiary has received funding from the relevant funding programme;
- contributions in kind from third parties;
- costs incurred by third parties to the Grant Agreements.

1.3. Eligibility of VAT

When you purchase a good or a service necessary for the implementation of an activity supported by an EU grant and pay value added tax (VAT) on this purchase, the VAT paid as part of the purchase price can be considered as an eligible cost, except where the activity falls within one of the following categories:

- activities for which VAT is **deductible**: taxed activities or exempt activities with right of deduction;
- activities engaged in by bodies governed by public law of a Member State (State, regional or local government authority or other public body), acting as a **public authority**. This situation is not likely to be encountered by the Beneficiaries of Operating Grants and, therefore, it will not be further elaborated upon in this Guide.

! Note

The eligibility of VAT has to be assessed by activity and by Beneficiary, not necessarily for the grant as a whole.

1.3.1. Ineligible VAT

VAT paid by a grant Beneficiary on purchases necessary for the implementation of taxed activities can be deducted from VAT charged by the grant Beneficiary on its sales. It does not constitute a cost for the Beneficiary and may therefore not be eligible.¹⁸

¹⁸ The same applies to exempt activities with right of deduction (e.g. exports), which are however not activities typically financed in the framework of DG Justice's programmes.

Activities funded by Union grants which include taxed activities are expected to be revenue-generating activities. For example, a grant includes the publication of a book by an NGO on an issue relevant under the call. The books will be sold in shops and will contain advertising space sold to companies. The sale of advertising space and the sale of goods for a charge are taxed activities. The VAT paid by the NGO on any supply needed for the publication of the book (e.g. paper, design services, printing services, distribution services) will be deductible from VAT charged by the NGO to the buyers of the advertising space and the books. The NGO will therefore not be allowed to declare this VAT as eligible under this grant.

1.3.2. Eligible VAT

For exempt activities without right of deduction the VAT is always eligible. The same is true for activities outside the scope of VAT (i.e. non-economic activities), unless the activity is an activity engaged in as a public authority. Activities and services provided by a non-governmental organisation (NGO) free of charge (e.g. free counselling services, awareness-raising activities, etc.) involve no economic transaction and are therefore not subject to VAT.

1.3.3. Conclusion for preparation of the estimated budget and final financial statements

The applicant needs to identify if VAT is an eligible cost in the light of the above instructions at application stage. This will have an impact on the final amount of the grant. By submitting the estimated budget, applicants declare that the estimated costs only include eligible VAT. In case your proposal is retained for funding, this amount will be used by the Commission as the maximum amount of total eligible costs which will not be further discussed.

When submitting the final financial statements, the Beneficiary is responsible for ensuring that VAT is declared in accordance with the above rules.

1.4. Award of contracts

1.4.1. General rules

Procedure for award

Where the implementation of the co-financed activities requires the procurement of goods, works or services, the Beneficiary shall award the contract to a third party ensuring that they respect the following principles:

- they must select the tender offering best value for money or, as appropriate, the tender offering the lowest price;
- they shall avoid any conflict of interests.

Beneficiaries are allowed to organise the tender procedure according to their internal practices, provided that they can demonstrate that the two abovementioned principles are respected.

The Beneficiary shall retain sole responsibility for carrying out the co-financed activities and for compliance with the provisions of the Grant Agreements.

Contracts

The Commission is *not* party to such agreements between a Beneficiary and a goods/service provider. To this effect the Commission has no liability towards any of the parties under these agreements and is bound solely by the terms of the Grant Agreements.

Beneficiaries must undertake the necessary arrangements to ensure that the goods/service provider waives all rights in respect of the Commission under these agreements.

Beneficiaries must also ensure that the conditions applicable to them under Articles II.3, II.4, II.5, II.8 and II.27 of the Framework Partnership Agreement are also applicable to the contractor.

Typically, these contracts should include the following terms:

- Goods/services to be provided and their links to the co-financed activities;
- Dates on which the contract begins and ends;
- Price to be paid (breakdown and description of the costs);
- Detailed description of the tasks/work schedule/completion phases;
- Detailed description of the costs on which the price is based;
- Payment arrangements (one or more advance payments, staggered payments, etc.);
- Clauses in respect of non-performance or late completion.

1.4.2. Implementation contracts

These contracts refer to the procurement of ordinary services, goods or equipment needed to carry out the co-financed activities (e.g. dissemination of information, evaluation, audits, translations, reproduction, purchase of tickets, renting of rooms and accommodation, purchase of consumables and supplies, etc.). These contracts do not, contrary to subcontracting, imply any externalisation of the co-financed activities described in the proposal.

Such contracts have to comply with the provisions specified above under section V.1.4.1. General rules. No additional conditions need to be complied with.

1.4.3. Subcontracting of tasks forming part of the co-financed activities

A "subcontract" is a procurement contract which covers the implementation by a third party of tasks forming part of the activities as described in Annex I (contrary to implementation contracts described above).

Beneficiaries may subcontract such tasks provided that, in addition to the conditions specified above under section V.1.6.1, the following conditions are complied with:

- Subcontracting only covers the implementation of a limited part of the co-financed activities;
- It is not acceptable for a Beneficiary to subcontract all or a majority of the co-financed activities, as this distorts the concept of the ownership of the activities. The Beneficiary may not subcontract the management and general administration of the activities;

Additional limitation to the permissible subcontracting (e.g. the amount allocated to subcontracting cannot exceed X% of the total eligible costs of the co-financed activities) may be specified in calls for proposals, in the section on financial provisions;

- Recourse to subcontracting is justified having regard to the nature of the activities and what is necessary for their implementation;

At the time of application the Applicant is requested to specify in Annex 7 to the Application Form the tasks that will be subcontracted and to duly explain the added-value of such subcontracting and the reasons for the lack of the relevant expertise among its staff;

- The estimated costs of the subcontracting are clearly identifiable in the estimated budget;
- After the grant is awarded, any recourse to subcontracting which is not described in the Applicant's proposal and is not included in Annex I of the Specific Agreement, must be communicated by the Beneficiary and approved by the Commission.

2. Detailed Provisions on Eligible Expenditure

2.1. Staff (heading A)

2.1.1. General provisions

To ensure the successful implementation of the co-financed activities, the Beneficiary shall allocate appropriate human resources to these activities. Their costs are part of the eligible costs, under the conditions and modalities described below.

Remuneration rates

The costs shall be calculated on the basis of the actual gross salary or wages plus obligatory social charges and any other statutory costs included in the remuneration.

! Note

The rates at which staff is charged to the grant must correspond to the Beneficiary's normal remuneration policy (documented by salary grids, long-term work contracts, etc.) and should not significantly exceed the rates generally applicable in the relevant area, both geographically and with respect to the profile of the staff concerned. Failure to respect this principle may lead to the costs being classified as reckless and excessive expenditure at any moment: during the evaluation of the proposal, during the implementation of the activities or at the time of final payment analysis. The difference between the current market rates/rates documented as compliant with the Beneficiary's long-term remuneration policy and the higher rates actually paid may be considered as ineligible cost.

Time allocated to the grant

Personnel costs shall be charged in respect of the actual time of the staff concerned.

Where a staff member (or assimilated) works full-time for the Beneficiary, but is allocated only part-time to the grant, only the equivalent part of his/her salary is an eligible cost for the grant. This amount cannot exceed the daily/hourly gross cost to the employer¹⁹ multiplied by the number of days/hours worked for the implementation of the co-financed activities. In these cases the time, which each employee spends working on the co-financed activities, shall be recorded using timesheets or an equivalent time registration system established and certified by the employer.

Salaries (fees) of non-permanent staff (staff specifically recruited for the implementation of the co-financed activities) may be charged to this budget heading provided that the following conditions are fulfilled:

¹⁹ These rates should correspond to the organisations normal remuneration policy. The inflation of rates or specific separate contracts are not considered as acceptable and can result in the costs in their totality not being taken into account when establishing the amount of the final grant.

- the individual concerned works for the Beneficiary with a contract of employment or an assimilated contract²⁰ explicitly linking the person to the grant;
- the individual concerned works under the instructions/supervision of the Beneficiary and, unless otherwise agreed with the Beneficiary, on the premises of the Beneficiary;
- the result of the work belongs to the Beneficiary;
- the costs are reasonable and not significantly different from the costs of staff performing similar tasks under an employment contract with the Beneficiary;
- travel and subsistence costs related to such a person participation in meetings or other travel relating to the grant is directly paid by the Beneficiary;
- the individual uses the Beneficiary's infrastructure.

!Note

When filling out Staff costs in the *Forecast Operating Budget worksheet*, applicants should indicate at least the following information:

- the name of the staff member (if known);
- his/her function;
- the staff member's working status: if he/she will be recruited specifically for the implementation of the activities or is a permanent employee of the organisation, if he/she works under a contract other than an employment contract, if he/she will be working part-time or full-time, etc.;
- the number of working hours included in the daily rate.

The same level of detail is expected in the *Detailed Budget Execution worksheet at reporting stage*.

2.1.2. Provisions on reporting on staff costs

2.1.2.1. The Calculation Method

The Beneficiary is requested to use the following method for calculating the staff costs. This method is embedded in the staff costs calculation worksheet described in section IV.2.3 of this Guide. The excel template is available on the website of DG Justice, on the specific webpage for the respective call for proposals. It is strongly suggested to use this worksheet, as it contains the minimum requirements requested by DG Justice as described below.

The calculation of staff cost must be based on the annual gross salary including social charges and other statutory costs, the total actual annual working time units and the time actually worked on the grant, as follows:

²⁰ To be distinguished from a service contract, which should be regarded as an implementation contract and should comply with the general principle applicable to awarding contracts as indicated under section V.1.4.2.

$$\frac{\text{(a) Annual gross salary + social charges}}{\text{(b) Total actual annual productive working days or hours}} \times \text{(c) actual days or hours worked on the grant}$$

Where:

(a) **Annual Gross Salary + Statutory Social Charges** = costs actually paid by the Beneficiary in the timeframe of a year, including: salary, taxes, employer's contribution for national security schemes etc.

When establishing the annual gross salary, the following elements should also be taken into consideration:

1	Annual gross salary including paid overtime and 13 th and 14 th salaries, if applicable. This should be done by adding up the gross salary per month as indicated on the salary slip.
+ 2	Holiday allowance, if not included in item 1 above.
+ 3	Obligatory/compulsory social charges imposed by law, such as pension schemes, health schemes, insurance schemes, contribution to labour market funds, etc.
+ 4	Statutory pension schemes established under national law. Employer's contribution to non-statutory pension schemes is not accepted as an eligible cost and should not be used in the calculation.
- 5	Less compensation received from insurance or other schemes in case of sickness and re-employment schemes to reactivate unemployed people.
Total	Annual staff cost (sum of 1 to 4 minus 5)

! Note

Actual salaries should be indicated in the *Detailed Budget Execution* worksheet at reporting stage.

All additional (non-statutory) and individual pension schemes and/or sickness insurances are not eligible, as well as company cars, bonuses and any other similar fringe benefits. Dividends or profit sharing are also not eligible.

The above calculation should be based on statutory documents, such as the salary slips and pay roll summary, so that the amounts taken into account for the calculation of the annual staff cost can easily be traced and verified.

(b) **Total actual annual productive time** = total time in days or hours worked in the timeframe of a year.

The calculation of the total annual productive days or hours must be done as follows:

1	Total number of days in a year	365
- 2	Less weekends	104
- 3	Less public holidays	
- 4	Less annual leave actually taken	
- 5	Less time compensation or flexitime	
- 6	Less sickness	
+ 7	Plus any paid overtime	
	Total number of productive days in the year (1 minus 2 to 6 plus 7)	

Time spent on meetings, activities, training and similar absences is considered as productive working time and should not be deducted.

Also note that long term illness and maternity leave cannot be charged to the grant. Furthermore, any amounts corresponding to such long-term absences should be deducted from the nominal amount "annual gross salary + statutory social charges", i.e. the amount "annual gross salary + statutory social charges" should only indicate the salary for the time during which the relevant staff member was not on long-term sick leave/maternity leave.

Holidays and sickness leaves are not days during which the person has worked for the grant, therefore they cannot be added to the actual days worked for the grant (but since they are deducted from the annual productive days, their cost is taken into account and split between the different projects for which the person has worked during the year).

(c) **Actual days/hours worked on the grant** = worked time in days or hours for the purpose of the grant. This needs to be clearly substantiated by timesheets (see provisions on time registration systems below).

When the person worked exclusively for the grant, the annual productive days equal the days worked on the grant and the cost to be charged to the grant equals the annual cost calculated as explained above.

As shown in the above calculation, any overtime costs claimed must be calculated based on the overall remuneration for the normal working hours plus cash compensation for the overtime work and divided by the total number of working hours (hours of normal work and hours of overtime work).

2.1.2.2. Time Registration Systems

The purpose of recording the total time (days/hours) worked per employee is to allow the Commission services to verify that the actual rate per time unit is applied.

Timesheets are not mandatory for staff members allocated exclusively to the grant.

As specified above, where a staff member works full-time for the organisation, but is allocated only part-time to the implementation of the co-financed activities, only the equivalent part of his/her salary is an eligible cost. For this reason every Beneficiary must establish a time registration system that, as a minimum, respects the following rules:

1. The timesheets (paper or electronic) must contain at least the following information:
 - Reference number of the Grant Agreements;
 - Name of the employer;
 - Name of the employee;
 - The timesheet should be kept on either a weekly or monthly basis and show the day, month and year. Global worksheets showing for example "x" hours spent per month are not accepted as supporting documentation;
 - The number of time units (days or hours) worked on the grant during the period of the timesheet;
 - Number of time units (days or hours) worked on other grants/activities;
 - Total number of time units (days or hours) worked;
 - Details of the tasks performed for the grant;
 - Date and signature of the employee;
 - Date and signature of the manager.
2. The time worked on the grant must be registered in a timely and regular manner, normally every day (timesheets established retroactively shall not be accepted as supporting document).
3. The completed timesheet for a given month should be signed by the employee and approved by the supervisor in a timely manner – ideally during the first week of the following month.
4. It is highly recommended that a description of the time registration procedure is written down for future reference.

2.2. Travel (heading B)

This heading covers costs of travel and related subsistence allowances. Only travel costs relating to specific and clearly identifiable activities are eligible for Union funding and must be made by persons directly involved in or contracted for such activities. Travel costs must be reasonable and in line with the Beneficiary's usual practices on travel costs.

Travel and subsistence costs of participants in conferences and seminars should also be included under heading B.

2.2.1. Travel costs

Travel costs should include all costs from the point of origin to the point of destination, including transfers to/from airport/train station²¹. Any travel must be shown to be relevant to the co-financed activities.

! Note

When filling out Travel costs in the *Forecast Operating Budget worksheet* at Application stage, applicants should indicate:

- the reason for travelling (e.g. Second Meeting, Study visit, etc.);
- the places of origin and destination;
- the number and, if already known, the names of the people travelling;
- the type of unit (e.g. flights, train).

When filling out Travel costs in the *Detailed Budget Execution worksheet* at reporting stage, Beneficiaries should indicate:

- the reason for travelling (e.g. Second Meeting, Study visit, etc.);
- the places of origin and destination;
- the means of travel used;
- the names of the people who have travelled.

All persons travelling within the context of a grant covered by this Guide are required to make every effort to use the most economical fare and method.

For travel by rail, first class fares are accepted, whilst for air travel it is the most economical fare.

However, where air/rail travel is not economical or not possible, cost for the use of a car will be refunded as follows:

- for private vehicles (own and company cars): on the basis of the corresponding (or an equivalent) rail fare - the price of one ticket only will be reimbursed, even where several people are travelling in the same vehicle); evidence of the corresponding rail fare should be sought at the time of travel and documentation evidencing this (e.g. declaration of costs from a travel agent; on-line quote) should be readily available;
- for hire cars (maximum category B or equivalent) or taxis: the actual cost where this is not excessive compared with other means of travel (also taking account of any influencing factors i.e. time, excessive luggage);
- Only where none of the above-mentioned means of calculation can be applied, will a 'rate per mile/km' be considered; where this is the case, a full explanation should be provided as to the reason for the non-application of the above-mentioned means of calculation and full

²¹ In some exceptional cases where public transport is not available, it may be necessary to take a taxi. Where several persons travel in the same taxi only one fare can be charged.

documentation should be readily available to substantiate the rate applied (to include evidence of the ‘organisational’ or ‘national’ rates per mile/km and support documentation evidencing payment of the applied rate).

2.2.2. Subsistence costs

Costs for subsistence (cost of accommodation, meals, local travel within the place of mission and sundry expenses) are eligible, provided that they are reasonable. The amounts per country published under the following link give an indication of what will be considered as reasonable:

http://ec.europa.eu/europeaid/funding/about-calls-tender/procedures-and-practical-guide-prag/diems_en

Unless otherwise indicated in the call for proposals and in the Grant Agreements, these costs are eligible on basis of actual amount spent or on the basis of a per diem system. In the former case it is thus very important to keep all supporting documents (see section V.3.3.2.1). These may be requested by the Commission before making the final payment, but should be kept available in any case for a possible ex-post audit/control. To be considered eligible these costs must be reasonable, conform to local prices and exclusively linked to the grant.

If the place of employment/residence is within 100 km from the place of the event, no hotel cost can be accepted. This means that for travel of less than 100 km no overnight stay will be accepted.

The number of days covered by subsistence allowance may not exceed the number of meeting/event days + 1.

Evidence of the applied payment system (documentation evidencing amounts reimbursed on the basis of actual costs incurred or evidence of payment of daily per diem rates to an individual) should be readily available.

It is not recommended that reimbursement is effected through cash payments, but through a bank transfer.

! Note

When filling out Subsistence costs in the *Forecast Operating Budget worksheet*, Applicants should indicate:

- the reason for travelling (e.g. Second Network Meeting, Study visit, etc.)
- the place of travel;
- the number and if already known, the names of the people receiving the subsistence allowances.

The same level of detail is expected in the *Detailed Budget Execution worksheet* at reporting stage.

2.2.3. Per Diems

The system of per diem can be accepted only if it can be demonstrated that such a system was officially in place before the grant was awarded.

If the Beneficiary as part of its corporate policy normally operates under a system of per diems (daily allowance), the per diem cannot exceed the maximum limits per country as set by the Commission. Where the costs declared exceed this threshold, the excess amount will be considered as excessive or reckless expenditure and will not be considered eligible for the calculation of the final EC contribution.

Unless there is a specific corporate policy in place, the Commission will refer to the following costs composition when assessing costs eligibility: 62% of the per diem amount is deemed to cover accommodation, the remaining 38% are deemed to cover subsistence.

The accommodation part of the per diem is accepted only when an overnight stay is required.

The subsistence part of the per diem is deemed to cover the following expenses:

15% = Breakfast

30% = Lunch

30% = Dinner

25% = Local transport and sundry expenses

Where a common lunch or dinner is provided during an event to its participants and this is charged separately to the grant (i.e. reported as a specific cost item in Annex III), the following rules should be applied:

- The relevant cost items should be reported under the " Other Direct costs" (heading E) and details of the recipients should always be indicated;
- Where one or more of the persons concerned by the common lunch/dinner (or other service that is otherwise included in the "per diem" amount) also receive the per diem amount, this amount must be reduced accordingly (and the relevant financial report should explicitly indicate such cases). Under no circumstances should the relevant amounts be charged to the grant twice.

! Note

If any of these components are provided to the participants, then the daily allowance must be reduced proportionally by the percentage indicated above.

! Note

Payment in cash of such a per diem is to be avoided (bank transfer must be favoured) unless it can be demonstrated through justifying accounting documents that such a payment is recorded in the official accounts of the Beneficiary.

2.3. Equipment (heading C)

2.3.1. Equipment (new or second hand)

The cost of equipment purchases (computer, audio-visual equipment, etc) must be foreseen in the activities to be co-financed and must respect the following rules:

- Respect the rules on award of contracts (cf. section V.1.4), e.g. compare the prices of different suppliers to see who offers the best value for money (taking account of price and quality). Evidence of market prospection and choice of contractor should be kept on file and made available to the Commission upon request;
- Charge to the operating grant only the cost of equipment purchased or rented during the period covered by the Specific Agreement, at a rate that reflects the degree and duration of use for grant purposes within that period;
- Only the cost depreciated in accordance with international accounting standards and the Beneficiary's usual accounting practices will be considered eligible, taking into account the rate of actual use for the purpose of the grant. Example of depreciation calculation:

Total value of equipment purchased: EUR 1.000,00

Assumed service life: three years (36 months)

Permissible monthly depreciation will then be $EUR\ 1000/36 = EUR\ 27,78$

Duration of the eligibility for cost in the Specific Agreement: 01/01/2015 to 31/12/2015 (12 months).

Date of purchase (= date of invoice): 30/04/2015.

The period of use will then be not more than 8 months.

Supposing the equipment is used on a half-time basis for the grant, the usage rate will be 50%.

The total amount payable for depreciation under the grant will then be:

$EUR\ 27,78 \times 8\ months \times 0,5 = EUR\ 111,12;$

- The equipment purchased must be then itemised with the Beneficiary and bear an inventory number.

! Note

When filling out Equipment costs in the *Forecast Operating Budget worksheet*, Applicants should indicate the kind of equipment to be purchased, as well as the full price of purchase. However, you can only declare the equipment's depreciated value.

The same level of detail is expected in the ***Detailed Budget Execution worksheet at reporting stage.***

2.3.2. Land and immovable property:

Costs of purchase of land and immovable property are not eligible.

Rental costs of premises necessary to carry out the co-financed activities will have to be documented by a specific rental contract/lease.

! Note

When filling out costs for land and immovable property in the *Forecast Operating Budget worksheet*, Applicants should indicate the duration of the rent in months or days and use the respective unit to calculate the cost.

The same level of detail is expected in the *Detailed Budget Execution worksheet* at reporting stage.

2.4. Consumables (heading D)

The costs of consumables and supplies are eligible, provided that they are identifiable as such in the accounts of the Beneficiary. When purchasing them, the Beneficiary must comply with the rules on award of contracts (cf. section V.1.4). They may consist in expenses such as general office supplies (pens, paper, folders, ink cartridges, electricity supply, telephone and postal services, Internet connection time, computer software, etc.). These have to be reported on the basis of real costs, **the use of lump sums or charge out rates will not be accepted.**

! Note

In case the operating grant covers only part of the Beneficiary's activities only the proportion of the costs relating to the funded activities can be charged to the operating grant. In this regard the Beneficiary must have a clear allocation key to calculate the proportion of eligible costs in a fair and transparent manner.

The calculation of the proportion of the cost relevant to the funded activities must be logically and clearly documented. This calculation could be based on people employed, square meters occupied etc. Cases where the Beneficiary receives an action grant without overheads during the same period may justify an increase of those costs.

e.g. the total cost of rent is EUR 20.000,00. The Beneficiary employs 10 people, but only 5 people work on the funded activity. In this case the proportion of the cost which is eligible is calculated as $5 / 10 * \text{EUR } 20.000 = \text{EUR } 10.000,00$.

! Note

When filling out costs for Consumables in the *Forecast Operating Budget worksheet*, Applicants should indicate:

- the type of consumables (e.g. USB keys, CD-Roms, conference folders);
- the number of units.

The same level of detail is expected in the *Detailed Budget Execution worksheet* at reporting stage.

2.5. Other direct costs (heading E)

In case activities included under other direct costs are subcontracted, the subcontracting rules mentioned in section V.1.4 of this Guide are applicable.

! Note

When filling out Other direct costs in the *Forecast Operating Budget worksheet*, applicants should indicate in the column *Additional information* if the corresponding activity will be implemented by the Beneficiary or by a subcontractor. In case of subcontracting the procedure used to ensure best value for money principle should be briefly described (e.g. tendering procedure, framework contract or other).

These details are also expected in the *Detailed Budget Execution worksheet at reporting stage*.

2.5.1. Publications and dissemination

In order to be eligible for Union funding, publications must be foreseen in the activities to be co-financed and comply with the Guidelines on Visibility of Union Funding (section 3.3). Costs for editing, translation and printing, as well as costs for website creation and/or maintenance may be eligible and they must be separately foreseen and reported.

! Note

When filling out these costs in the *Forecast Operating Budget worksheet*, Applicants should indicate:

Publications:

- the title of the publication;
- the reference number of the output in *Annex 7 – Activities to be co-financed in 2015* (e.g. Activity 2.2, output 3 - Conference);
- the type of publication (e.g. brochure, leaflet, etc.);
- the language(s) in which the publication will be produced;
- the number of estimated pages per publication;
- the number of copies;
- the type of units (usually the number of pages or the number of copies).

Translations:

- the title of the publication;
- the reference number of the output in *Annex 7 – Activities to be co-financed in 2015* (e.g. Activity 2.2, output 3);
- the language of origin and destination (e.g. from English into Italian);

- the number of pages;
- the type of unit, i.e. pages.

Costs for editing, printing, translation, etc. should be entered in separate lines.

The same level of detail is expected in the ***Detailed Budget Execution worksheet at reporting stage*** and on the financial supporting documents.

2.5.2. Conferences, and seminars and other events

Specific costs relating to conferences and seminars organised as part of the activities to be co-financed by the grant should be included under this heading. This should not include travel and subsistence allowances incurred by the Beneficiary to cover costs for participants (to be included under Travel - heading B).

! Note

When filling out these costs in the *Forecast Operating Budget worksheet*, detailed calculations for the relevant costs should be provided, e.g.:

Renting of rooms

- the title of the event in *Annex 7 – Activities to be co-financed in 2015* (e.g. Activity 2.2., output 1);
- the expected number of participants;
- the duration of the event (e.g. days, half-days or number of hours).

Interpretation

- the number of interpreters per day;
- the number of days of interpretation;
- the language of origin and destination (e.g. English/French & French/English);
- the type of unit: days of interpretation.

Catering

- the type of catering costs (e.g. lunch, coffee break);
- the number of items;
- the number of participants;
- the unit rate: participants.

The same level of detail is expected in the ***Detailed Budget Execution worksheet at reporting stage*** and on the financial supporting documents.

Costs that are budgeted 'per participant' (e.g. meals offered or taken in common) should not include persons receiving 'subsistence allowance' for the same event, unless such costs are deducted from these subsistence allowances.

2.5.3. Costs not falling under any other heading

Typical expenditure concerned by this includes:

- Costs of sub-contracted services supplied (e.g. experts not considered as staff members, specific evaluation of the activities, auditor fees);
- Conference fees; meeting registration costs;
- Charges for financial services (e.g. fees for a bank guarantee requested by the Commission);
- Purchase of information materials specific to the implementation of the activities (books, studies, electronic data);
- Press releases and event advertisements relevant to the implementation of the activities (one-off costs);
- Purchase of copyrights and other Intellectual Property Rights (IPR);
- Intellectual property costs connected with the publication of outputs produced by the grant, e.g. CD-ROM;
- Other costs stemming from obligations under the Grant Agreements which are not budgeted for under another budget heading.

Such costs may be claimed under heading E, provided they are necessary and specific to the activities and contribute to the value of the final results of the grant.

2.6. Contributions in Kind (heading G)

Contributions in kind refer to **non-cash inputs from third parties**, such as:

- any donation of raw materials (i.e. paper and ink for publication purposes);
- unpaid volunteer work or unpaid provision of service;
- any other good or service provided for the implementation of the activities whose cost is borne by another organisation and not by the Beneficiary.

Contributions in kind shall not be calculated as actual expenditure and shall not constitute an eligible cost. They shall not be taken into account for the calculation of total eligible costs and the final amount of the grant. However, if it is included in the budget the Beneficiary undertakes to obtain this contribution.

At the stage of evaluation of proposals, the contribution in kind will be taken into account by the Commission when assessing the activities and level of engagement and commitment of the Applicant.

! Note

Contribution in kind does not constitute an eligible cost. It cannot be reported neither as income neither under I or K.

3. Supporting Documentation

3.1. General principles

The following general principles are applicable to all categories of costs:

- No undocumented cost can be taken into account by the Commission!
- Whenever possible, all payments must be made by bank transfer, not in cash.
- Invoices related to the purchase of goods or equipment must bear the grant reference, date of purchase and delivery. Invoices related to services must also specify the date(s) on which the services were provided.

No supporting documents need to be attached to the final report. However, the Commission may request from the Beneficiary to provide copies of certain or all supporting documents for any cost categories. Therefore these documents must be readily available before the submission of the final report.

! Note

Only copies of supporting documents should be provided to the Commission. Originals must be kept by the Beneficiary for accounting/tax and audit purposes.

3.2. Documentation of Staff Costs

Staff costs declared can relate to staff under variety of conditions. A non-exhaustive list of the most common cases is provided below.

3.2.1. For all staff categories

- The total cost for the employee (comprising actual salary, statutory social security charges and other statutory costs included in the remuneration) as well as the calculation of the amount allocated to the grant should be clearly identifiable from the supporting documents;
- Proof of regular salaries (salary grids) of the organisation may also be requested.

3.2.2. Staff (part-time or full time) working for the Beneficiary on a permanent basis and allocated exclusively to the co-financed activities

- Existing contract with the Beneficiary;
- Assignment letter with specific indication of tasks, reference to the grant, to the duration of allocation to the grant;
- Monthly salary slips;
- Proof of payment.

! Note

Such staff must be registered in the payroll and in the accounting system of the organisation.

Timesheets are not required.

3.2.3. Staff (part-time or full time) working for the Beneficiary on a permanent basis and allocated only partly to the co-financed activities

- Existing contract with the Beneficiary;
- Timesheets or equivalent system established and certified by the employer containing the minimum requirements specified in section V.2.1.2.2;
- Salary slips;
- Proof of payment;
- Calculation of the hourly or daily rate requested (for more details relating to the calculation, please refer to section V.2.1.2.1 above).

! Note

Such staff must be registered in the payroll and in the accounting system of the Beneficiary.

Timesheets are mandatory.

3.2.4. Non-permanent staff recruited exclusively for the implementation of the co-financed activities and registered in the Beneficiary's payroll

- Specific contract with the Beneficiary linked to the grant with specific indication of tasks, reference to the grant, to the duration of the contract, to the hourly/daily rate;
- Salary slips;
- Proof of payment.

! Note

Timesheets are not required.

3.2.5. Natural persons working for the Beneficiary for the implementation of the co-financed activities under a contract other than an employment contract

- Specific contract with the Beneficiary linked to the grant with description of tasks, reference to the grant, to the duration of the contract, to the time to be allocated to the grant, to the hourly/daily rate;

- Timesheets or equivalent system established and certified by the employer containing the minimum requirements specified in section V.2.1.2.2 (if the person does not work exclusively for the grant);
- Invoices with indication of tasks performed, date, number of hours worked and price per hour;
- Proof of payment.

! Note

Timesheets are mandatory if the person does not work exclusively for the grant.

3.3. Documentation of Travel:

3.3.1. Documentation of Travel costs

- Copies of travel tickets (airplane, train, bus, etc.), including boarding passes when applicable;
- Copies of invoices for flight or rail tickets (if bought through internet, email of confirmation is accepted, if no invoice is available; however the price paid should be available on the confirmation);
- Reimbursement claim form, where the cost is not directly purchased by the Beneficiary;
- Travel by car: reimbursement claim, explanation of the calculation of reimbursement, copy of the internal reimbursement policy, if available (maximum of the equivalent first-class rail fare);
- Proof of payment or proof of reimbursement (bank statement showing payment);
- Attendance list signed by the participants (for meetings and conferences).

3.3.2. Documentation of Subsistence costs

3.3.2.1. Reimbursement on the basis of real costs

- Expenses reimbursement claim form (e.g. mission expenses reimbursement claim), indicating place, date and time, signed and dated by the participant (employee) and the person authorizing the expenditure (employer);
- Proof of accommodation (hotel invoice);
- Copies of all receipts related to food and beverages, local transport and other expenses;
- Attendance list signed by the participants;
- Proof of reimbursement of the claimed costs to the participant.

3.3.2.2. Reimbursement on the basis of per diem (in application of the Beneficiary's usual policy)

- Copy of the Beneficiary's internal policy;

- Reimbursement claim (e.g. mission expenses reimbursement claim), indicating place, date and time of travel showing clearly the calculation of the claimed amount. This must be signed and dated by the participant (employee) and the person authorizing the expenditure (employer);
- Attendance list signed by the participants;
- Proof of reimbursement of the claimed costs to the participant.

3.4. Documentation of Equipment

- Copies of invoices declaring when the equipment was purchased and delivered;
- Proof of payment;
- Calculation of the amount requested;
- Internal rules on depreciation.

3.5. Documentation of Consumables

- Copies of invoices clearly indicating the period when the consumables were purchased and used;
- Proof of payment.

! Note

In case only a proportion of the cost is charged to the operating grant you must also provide a calculation of the proportion requested. For more information about the calculation see point V.2.4 above.

3.6. Documentation of Other direct costs

- Invoice
 - For editing: the invoice must specify the type/name of the publication and the number of pages/words;
 - For translations: the invoice must specify the title of the publication/document, the translation languages (from-to) and the number of pages/words;
 - For printing: the invoice must specify the type/title of the publication, the number of pages and the number of copies;
 - For conferences: detailed calculations for the relevant costs should be provided on the supporting documents (e.g. the supporting document for conference room rental should indicate the number of participants and number of days/hours of the stay; supporting documents for interpretation services should be detailed and indicate the cost per interpreter per day);
- Documentation related to the procedure that was followed for the award of contracts: copies of bids received, records related to the award process (comparisons of individual bids, minutes of meetings, etc.);

- Subcontracting agreement should include the following terms: goods/service to be provided and its links with the grant (it is advisable to include a reference to the grant); dates on which the contract begins and ends; price to be paid (breakdown and description of the costs); a detailed description of the tasks/work schedule/completion phases; a detailed description of the costs on which the price is based; payment arrangements (one or more advance payments, staggered payments, etc.); clauses/penalties in respect of non-performance or late completion;
- Proof of payment.