



## EUROPEAN COMMISSION

Employment, Social Affairs and Equal Opportunities DG

Social Dialogue, Social Rights, Working Conditions, Adaptation to Change  
**Working Conditions, Adaptation to Change**

### **BUDGET HEADING 04.04.01.03**

Restructuring, well-being at work and financial participation

## **CALL FOR PROPOSALS**

**2009**

**VP/2009/010**

Given the likelihood of a large number of requests for information, you are asked not to contact us by telephone.

Questions should be sent by e-mail only to: [empl-04-04-01-03@ec.europa.eu](mailto:empl-04-04-01-03@ec.europa.eu)

To ensure a more rapid response, it would be helpful if applicants sent their queries in English, French or German.

The French version of the call is the original.

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## **BUDGET HEADING 04.04.01.03**

### **Restructuring, well-being at work and financial participation**

#### **1 GENERAL CONTEXT OF THIS CALL FOR PROPOSALS**

The Social Agenda (2005-2010) has set as its overall strategic goal to promote more and better jobs and to offer equal opportunities for all. The realisation of the Social Agenda relies on a combination of instruments comprising EU legislation, the implementation of open methods of coordination in various policy fields and financial incentives such as the European Social Fund.

Decision No 1672/2006 establishing a Community programme for employment and social solidarity – PROGRESS – was adopted by the European Parliament and the Council on 24 October and published in the OJ on 15 November.

PROGRESS is designed to support the core functions of the European Community so that it can fulfil its Treaty-delegated tasks and exercise the powers assigned to it in its respective areas of competence in the employment and social sphere. The aim of PROGRESS is to strengthen the EU's contribution in support of Member States' commitments and efforts to create more and better jobs and to build a more cohesive society. Accordingly, PROGRESS will be instrumental in:

- providing analysis and advice on PROGRESS policy areas;
- monitoring and reporting on the implementation of EU legislation and policies in PROGRESS policy areas;
- promoting policy transfer, learning and support among Member States on EU objectives and priorities; and
- passing on the views of the stakeholders and society at large.

More specifically, PROGRESS will support:

- (1) the implementation of the European Employment Strategy (section 1);
- (2) the implementation of the open method of coordination in the field of social protection and inclusion (section 2);
- (3) the improvement of the working environment and working conditions including health and safety at work and reconciling work and family life (section 3);
- (4) the effective implementation of the principle of non-discrimination and promotion of its mainstreaming in all EU policies (section 4);
- (5) the effective implementation of the principle of gender equality and promotion of its mainstreaming in all EU policies (section 5).

This call for proposals is issued in the context of the implementation of the 2009 annual plan of work which can be consulted at:

<http://ec.europa.eu/social/main.jsp?catId=658&langId=en>.

## 2 WHAT ARE THE AIMS OF THE CALL?

The PROGRESS programme on working conditions aims to develop and support a positive and proactive approach to change through the promotion of exchanges of information, particularly concerning the social and economic consequences.

This call is intended to cover grants to promote the development and dissemination of better expertise and capabilities among the actors concerned in the areas of anticipating, preparing for and providing a socially acceptable response when restructuring occurs, as emphasised in the Commission Communication on Restructuring and Employment – anticipating and accompanying restructuring in order to develop employment: the role of the European Union (COM (2005) 120 final).

The PROGRESS programme related to working conditions is also intended to support the promotion of exchanges of information concerning health and well-being at work during restructuring processes – an area which is also covered by this call.

This call also covers measures to promote employees' financial participation within the meaning of the Commission Communication on a framework for the promotion of employees' financial participation (COM(2005) 364 final).

In view of these objectives, three sub-programmes have been defined:

- |     |                                                                     |
|-----|---------------------------------------------------------------------|
| I   | Improvement of expertise in restructuring                           |
| II  | Better understanding of health and well-being at work during change |
| III | Promoting the financial participation of workers.                   |

This call for proposals has a budget of € 3 098 000 for 2009.

## 3 PRIORITY OBJECTIVES AND TYPES OF ACTION

### 3.1 Improvement of expertise in restructuring

The priority objectives of projects in this area are the following:

a) to promote exchanges of information and experience and to develop the capabilities of the parties taking an active part in restructuring and to promote the development of good practices in Europe, such as, for example, guidelines for action to be taken in the event of restructuring;

b) to encourage activities in the context of partnerships either within companies or externally (between social partner organisations at all levels or with external entities such as public authorities or any other stakeholder in the restructuring process) and measures to promote or facilitate the creation of such partnerships;

c) to develop at national level tools to anticipate the future skills needs of various sectors in order to make workers more employable and offer companies a better match between their needs and the training offered to workers and students.

Only the following activities can be co-financed:

- 1) meetings and other activities to support or promote the creation of partnerships for the anticipation, preparation or responsible management of restructuring and to activate existing partnerships;
- 2) the organisation of round-tables, exchanges of experiences and networks of actors and/or experts, notably in the area of identifying needs and skills at sectoral level;
- 3) studies and other initiatives to reinforce the collection and exploitation of information on the national systems in force and on good practices in order to anticipate, prepare for and accompany restructuring and on trends at European level;
- 4) conferences or seminars on restructuring and initiatives to raise awareness of innovative and effective practices in this area.

Priority will be granted to projects:

- to support or promote the creation of partnerships for the anticipation, preparation or responsible management of restructuring and to activate existing partnerships;
- promoted by the European social partner organisations or having them as their active partners;
- promoted jointly by employers' and workers' representatives (at enterprise, sector and national/regional level), or associating them and other stakeholders in restructuring processes and in the anticipation of needs and skills (public authorities, innovation centres, training centres, development agencies).

### **3.2 Better understanding of health and well-being at work during change**

The objectives of this subprogramme are as follows:

- a) to promote activities by or with enterprises, the social partner organisations and the authorities in order to implement programmes to prevent and treat the health problems of workers faced with restructuring;
- b) to raise awareness of stress and resistance to change during restructuring;
- c) to encourage activities to prevent the negative impact of change in terms of health and psycho-social risks;
- d) to produce recommendations and a guide of good practice to avoid or reduce the harmful consequences of restructuring on human health and identify preventative measures.

Only the following activities can be co-financed:

- 1) creation of expert networks in psychosociology and health at work with a specific focus on the preparation and accompanying measures for workers and managers experiencing changes in the event of restructuring;
- 2) programmes intended to prevent or treat the negative impact of restructuring on workers' health;
- 3) the organisation of seminars, conferences and round-tables, including disseminating

their results through publications and on the Internet.

Priority will be granted to projects:

- promoted jointly by employers' and workers' representatives (at enterprise, sector and national/regional level), or associating them and other stakeholders in restructuring processes (public authorities, innovation centres, training centres, development agencies);
- counting the relevant European organisation among their active partners, for projects presented by national or regional social partner organisations.

### **3.3 Promoting the financial participation of workers**

The aim of this subprogramme is to exchange information and good practices to promote the financial participation of workers, including with regard to corporate governance aspects.

Only the following activities can be co-financed:

- 1) meetings, seminars and conferences;
- 2) training activities.

Priority will be granted to projects:

- promoted jointly by the European social partners;
- promoted jointly by employers' and workers' representatives;
- promoted in collaboration with other stakeholders (e.g. training bodies).

## **4 EXAMINATION OF GRANT APPLICATIONS**

### **4.1 Submission and implementation dates**

Only applications for actions starting in 2009 will be considered. In view of the time needed to examine applications, actions may not start before the dates given below. Applicants should note that if their project is approved they will not necessarily receive the grant agreement prior to the action starting dates indicated and should, therefore, take this into account in planning the timing of their project.

Any expenditure incurred before written confirmation that the application has been accepted is at the applicant's risk.

Applications will be examined by an Evaluation Committee which will meet within 30 working days following the deadlines for submission indicated below. For each meeting of this committee, complete applications must be submitted to the European Commission by the deadline.

The available budget may be exhausted before the end of the budget year and it is therefore in the applicant's interest to submit a proposal as early as possible.

The **deadlines** for the submission of applications are as follows:

- **18 May 2009** for activities commencing no earlier than **20 July 2009** (indicative amount foreseen depending on the quality of projects submitted: € 1 450 000);
- **1 September 2009** for activities commencing no earlier than **3 November 2009** and no later than **21 December 2009** (indicative amount foreseen depending on the quality of projects submitted: € 1 648 000).

In general the maximum duration of an action is 12 months.

The Commission may adjust the duration of the activity proposed in the application.

Proposals which indicate an earlier starting date than the ones indicated above will not be considered by the Evaluation Committee.

Applications will be examined and selected taking account of the provisions of Decision 1672/2006 establishing the PROGRESS programme and the criteria laid down in this document (see below).

#### **4.2 Co-financing rates for the subprogrammes**

This budget heading is for supporting projects where applicants contribute a share of at least 20% of the total cost of the activity. Contributions in kind will not be taken into account. Any application for a grant of more than 80% will be automatically rejected.

#### **4.3 Eligibility criteria**

##### ***Eligibility of applicants***

To be eligible, applicants must:

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

SOCIAL PARTNERS	EUROPEAN SOCIAL PARTNER ORGANISATIONS CURRENTLY CONSULTED IN ACCORDANCE WITH ARTICLE 138 OF THE TREATY.  FOR AN UP-TO-DATE LIST OF THESE ORGANISATIONS, PLEASE REFER TO
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	<p><a href="http://ec.europa.eu/social/main.jsp?catId=522&amp;langId=en">HTTP://EC.EUROPA.EU/SOCIAL/MAIN.JSP?CATID=522&amp;LANGID=EN</a></p> <p>NATIONAL OR REGIONAL ORGANISATIONS AFFILIATED TO SUCH ORGANISATIONS AS LONG AS THE PROJECT IS PART OF A EUROPEAN APPROACH AND WILL BE DEVELOPED IN COOPERATION WITH PARTNERS FROM OTHER COUNTRIES (EU+EFTA/EEA) AND THEIR CORRESPONDING EUROPEAN ORGANISATION.</p>
PUBLIC AUTHORITIES	NATIONAL AND REGIONAL AUTHORITIES, INCLUDING RELATED PUBLIC-LAW BODIES AND AGENCIES.
RESEARCH CENTRES AND INSTITUTES AND UNIVERSITIES	RESEARCH DEPARTMENTS OF UNIVERSITIES AND RECOGNISED CENTRES OF EXCELLENCE IN SOCIOECONOMIC RESEARCH, OCCUPATIONAL PSYCHOLOGY, HUMAN SCIENCES AND VOCATIONAL TRAINING.
INTERNATIONAL ORGANISATIONS (ILO, WHO OR OTHERS)	THE UN AGENCIES, PARTICULARLY THEIR DEPARTMENTS RELATED TO LABOUR OR TO HEALTH AT WORK IF THEIR PARTICIPATION BRINGS ADDED VALUE TO THE TRANSNATIONAL PROJECTS.
ORGANISATIONS OF CIVIL SOCIETY AND NON-PROFIT-MAKING ORGANISATIONS	ORGANISATIONS OR NON-PROFIT-MAKING ASSOCIATIONS INDEPENDENT OF PUBLIC AUTHORITIES ACTIVE IN THE FIELD OF RESTRUCTURING, REPRESENTING PROFESSIONAL INTERESTS, HEALTH AT WORK, PREVENTION OF RISKS AND FINANCIAL PARTICIPATION (MAY ALSO SUBMIT AN APPLICATION AS LONG AS THEY OPERATE AT EUROPEAN LEVEL).

- not be in one of the situations referred to in Articles 93(1), 94 and 96(2)(a) of the Financial Regulation<sup>1</sup>.

### ***Eligibility of activities***

To be eligible, activities must:

- comply with the rules on the start and end dates for the activities, as set out in section 4.1;
- be in line with the activities described in point 3.;
- be linked to at least one objective of this call;

<sup>1</sup> The situations referred to include bankruptcy, compulsory winding-up, being under court administration, in an arrangement with creditors or any other similar proceedings; convictions of professional misconduct; non-fulfilment of social security or tax payment obligations; convictions of fraud, corruption, involvement in a criminal organisation or any other illegal activity; declared in serious breach of contract in relation to activities funded by the Community budget; subject to conflict of interest; guilty of misrepresentation in supplying the required information.

- have a transnational dimension, i.e. be promoted by a European (or international) organisation or involve partners (or participants) from various PROGRESS-participating countries or cover clearly transnational problems;
- comply with the maximum European Community co-financing percentage of 80%;
- be run entirely in PROGRESS-participating countries;
- comply with the rules on subcontracting set out in the financial guidelines for applicants (Annex I).

### ***Eligibility of applications***

To be eligible, applications must:

- be submitted electronically via SWIM (see annex I, point 13) and be sent (paper version) by the deadlines indicated in section 4.1;
- be complete and include **all the documents indicated in the following table:**

1	<p><b>OFFICIAL COVERING LETTER OF APPLICATION</b>, QUOTING THE REFERENCE OF THE CALL FOR PROPOSALS, AND BEARING THE ORIGINAL SIGNATURE OF THE APPLICANT'S LEGAL REPRESENTATIVE.</p>
2	<p>PRINT-OUT OF THE DULY COMPLETED APPLICATION FORM <b>SUBMITTED ON-LINE</b> (<a href="https://webgate.ec.europa.eu/swim/external/displaywelcome.do?lang=en">HTTPS://WEBGATE.EC.EUROPA.EU/SWIM/EXTERNAL/DISPLAYWELCOME.DO?LANG=EN</a>), DATED AND BEARING THE ORIGINAL SIGNATURE OF THE LEGAL REPRESENTATIVE.</p> <p>N.B. APPLICATION FORMS MUST BE SUBMITTED ELECTRONICALLY. THEIR RESPECTIVE DETAILED AND SIGNED PRINT-OUTS MUST BE SUBMITTED AS SET OUT IN POINT 5.2 BELOW.</p> <p>THE ON-LINE FORM <b>MUST FIRST BE SUBMITTED ELECTRONICALLY BEFORE PRINTING</b>. AFTER THE ELECTRONIC SUBMISSION NO FURTHER CHANGES TO THE APPLICATION ARE POSSIBLE.</p>
3	<p><b>A SIGNED DECLARATION ON HONOUR</b> (SEE ANNEXES TO THE ON-LINE FORM).</p> <p>THIS MUST BE WRITTEN ON THE OFFICIAL LETTERHEAD PAPER OF THE APPLICANT ORGANISATION AND BEAR THE ORIGINAL SIGNATURE OF THE LEGAL REPRESENTATIVE, CERTIFYING THAT THE APPLICANT IS NOT IN ONE OF THE SITUATIONS LISTED IN ARTICLES 93(1), 94 AND 96(2)(A) OF THE FINANCIAL REGULATION AND HAS THE OPERATIONAL AND FINANCIAL CAPACITY TO SUCCESSFULLY COMPLETE THE PROPOSED ACTION.</p>
4	<p><b>"FINANCIAL IDENTIFICATION" FORM</b>, DULY COMPLETED AND BEARING THE ORIGINAL SIGNATURE OF THE LEGAL REPRESENTATIVE AND THE ORIGINAL SIGNATURE AND STAMP OF THE BANK. THIS FORM CAN BE FOUND AT:</p> <p><a href="http://ec.europa.eu/budget/execution/ftiers_en.htm">HTTP://EC.EUROPA.EU/BUDGET/EXECUTION/FTIERS_EN.HTM</a></p>
5	<p><b>THE "LEGAL ENTITIES" FORM</b>, DULY COMPLETED AND BEARING THE ORIGINAL SIGNATURE OF THE LEGAL REPRESENTATIVE. THIS FORM CAN BE FOUND AT:</p>

	<p><a href="http://ec.europa.eu/budget/execution/legal_entities_en.htm">HTTP://EC.EUROPA.EU/BUDGET/EXECUTION/LEGAL_ENTITIES_EN.HTM</a>  <b>APPLICANTS MUST ALSO PROVIDE:</b></p> <ul style="list-style-type: none"> <li>• A COPY OF THE <b>CERTIFICATE OF OFFICIAL REGISTRATION OR OTHER DOCUMENT</b> PROVING THE CREATION OF THE ENTITY (WHERE SUCH A DOCUMENT EXISTS);</li> <li>• A COPY OF THEIR <b>ARTICLES OF ASSOCIATION/STATUTES OR EQUIVALENT</b> SHOWING THAT THE ORGANISATION IS ELIGIBLE;</li> <li>• A COPY OF A DOCUMENT SHOWING THE IDENTIFICATION NUMBER FOR TAX PURPOSES OR THE VAT NUMBER, IF SUCH A DOCUMENT IS AVAILABLE.</li> </ul> <p>FOR SOCIAL PARTNER ORGANISATIONS WITH NO LEGAL PERSONALITY, A <b>LETTER FROM THEIR REPRESENTATIVE STATING HIS/HER CAPACITY TO ASSUME LEGAL OBLIGATIONS ON THEIR BEHALF AND THE ASSOCIATED FINANCIAL RESPONSIBILITIES.</b></p>
6	<p>THE <b>DETAILED WORK PROGRAMME AND DETAILED BUDGET FOR THE PROJECT SIGNED BY THE LEGAL REPRESENTATIVE.</b> THESE ARE SEPARATE, ADDITIONAL DOCUMENTS IN THE ONLINE APPLICATION FORM; THE DESCRIPTION OF THE PROJECT IN THE ONLINE APPLICATION FORM IS NOT IN ITSELF SUFFICIENT.</p> <p>THE <b>DETAILED WORK PROGRAMME</b> MUST PROVIDE A DETAILED DESCRIPTION OF THE PROJECT AND A TIMETABLE FOR THE ACTIVITIES. THE NAMES OF ALL MEMBERS OF STAFF INVOLVED IN THE PROJECT, THEIR POSITIONS AND EMPLOYMENT STATUS MUST BE INCLUDED. THE DETAILED WORK PROGRAMME MUST BE SUBMITTED IN ENGLISH, FRENCH OR GERMAN.</p> <p><b>THE DETAILED BUDGET</b> MUST PROVIDE A DETAILED BREAKDOWN FOR EACH LINE IN EACH CHAPTER, RESPECTING THE FORMAT AND NUMBERING OF THE "PROJECT BUDGET ESTIMATE" FORM AND PROVIDING ALL OTHER RELEVANT INFORMATION CONCERNING THE BUDGET FOR THE PROJECT, INCLUDING ANY SUBCONTRACTING PLANS. THE DETAILED WORK PROGRAMME AND DETAILED BUDGET MUST BE SUBMITTED IN ENGLISH, FRENCH OR GERMAN.</p> <p><b><u>N.B.:</u></b> THE WORK PROGRAMME IN <b>WORD FORMAT</b> AND DETAILED BUDGET MUST ALSO BE SUBMITTED ELECTRONICALLY USING THE ONLINE APPLICATION FORM. THE ELECTRONIC VERSION MUST BE IDENTICAL TO THE PAPER VERSION OF THE DOCUMENTS IN QUESTION.</p>
7	<p><b>LETTERS OF SUPPORT:</b></p> <ul style="list-style-type: none"> <li>• IF THE APPLICANT IS A NATIONAL OR REGIONAL MEMBER OF A EUROPEAN SOCIAL PARTNER ORGANISATION, A LETTER OF SUPPORT SIGNED BY THIS ORGANISATION, CONFIRMING ITS ACTIVE PARTICIPATION;</li> <li>• FURTHERMORE, AND IN ALL OTHER CASES, A LETTER OF COMMITMENT FROM EACH PARTNER STATING THE NATURE OF THEIR PARTICIPATION AND THE MONETARY AMOUNT OF ANY FINANCIAL CONTRIBUTION.</li> </ul> <p>THE PROJECT WILL NOT BE CONSIDERED UNLESS ALL SUCH LETTERS OF COMMITMENT ARE ENCLOSED.</p> <p>THE WORK AND THE TASKS PERFORMED BY THE PROJECT PARTNERS (IN ACCORDANCE WITH THE DESCRIPTION IN THE LETTERS OF COMMITMENT/PARTNERSHIP) ARE NOT SUBJECT TO THE RULES GOVERNING SUBCONTRACTING SET OUT IN ANNEX I.</p>

	HOWEVER, IT IS NOT PERMISSIBLE TO CHOOSE NORMAL COMMERCIAL SUPPLIERS OF GOODS AND SERVICES AS PROJECT PARTNERS IN ORDER TO CIRCUMVENT THESE RULES. BY WAY OF EXAMPLE, AND WITHOUT LIMITING THE EXCLUSIONS TO THE EXAMPLES LISTED, THE COMMISSION DOES NOT FIND IT APPROPRIATE TO INCLUDE AS PROJECT PARTNERS INDEPENDENT CONSULTANTS, CONFERENCE ORGANISERS, ETC.
8	<b>DRAFT SPECIFICATIONS IN THE EVENT OF SUBCONTRACTING FOR EXTERNAL EXPERTS:</b>  APPLICANTS WISHING TO MAKE USE OF EXTERNAL EXPERTS MUST PROVIDE A COPY OF THE DRAFT SPECIFICATIONS. THIS CONDITION APPLIES TO AMOUNTS IN EXCESS OF €60 000. IT DOES NOT APPLY TO PUBLIC AUTHORITIES WHICH ARE ALREADY GOVERNED BY A SYSTEM OF PROCUREMENT RULES. TO ASSIST APPLICANTS, SPECIMEN TENDER SPECIFICATIONS ARE INCLUDED IN ANNEX II. IMPORTANT ADDITIONAL INFORMATION CONCERNING THE AWARD OF CONTRACTS CAN BE FOUND IN ANNEX I.
9	<b>THE MOST RECENT BALANCE SHEET OF THE APPLICANT'S ORGANISATION</b> DEMONSTRATING THE FINANCIAL CAPACITY OF THE APPLICANT. THE COMMISSION RESERVES THE RIGHT TO REQUEST BALANCE SHEETS FROM PREVIOUS YEARS, IF NECESSARY.
10	<b>FOR GRANT APPLICATIONS OVER € 500 000, AN EXTERNAL AUDIT REPORT</b> PRODUCED BY AN APPROVED AUDITOR, CERTIFYING THE ACCOUNTS FOR THE LAST YEAR AVAILABLE (OPTIONAL FOR PUBLIC BODIES).
11	<b>A CURRICULUM VITAE OF THE PROPOSED PROJECT MANAGER/COORDINATOR AND THE PERSONS WHO WILL PERFORM THE MAIN TASKS (OPERATIONAL CAPACITY)</b> INDICATING CLEARLY THE CURRENT EMPLOYER WITH WHOM THERE EXISTS EITHER A PERMANENT OR TEMPORARY CONTRACT OF EMPLOYMENT.
12	<b>A LIST OF THE MAIN PROJECTS CARRIED OUT, IF ANY, IN THE LAST THREE YEARS</b> RELATING TO THE SUBJECT OF THE CALL.

Proposals which do not comply with the above criteria are not eligible and will be rejected.

#### 4.4 Selection criteria

Applicants must have the financial and operational capacity to complete the activity for which funding is requested. They must therefore have access to solid and adequate funding to maintain activities for the duration of the project and to help finance it as necessary. They must have the operational (technical, management) resources required to complete the activity in question.

Applicants must provide evidence of their **operational** (technical, management) capacity by producing:

- a list of the main projects carried out, if any, in the last three years relating to the subject of the call;

- the curriculum vitae of the proposed project manager/coordinator and the persons who will perform the main tasks;
- a declaration from the legal representative certifying the competences of the team responsible for carrying out the required tasks (see declaration on honour).

**Financial** capacity will be demonstrated by<sup>2</sup>:

- a declaration from the legal representative certifying that the applicant has the financial capacity to successfully complete the proposed action (see declaration on honour);
- The most recent balance sheet of the applicant's organisation allowing, amongst other things, verification that the ratio between the total assets divided by the total project budget is at least of 0.70.

#### **4.5 Award criteria**

The grants will be awarded on the basis of a comparative evaluation of all the proposals meeting the above-mentioned eligibility and selection criteria with respect to the following award criteria, the respective importance of each one being expressed as a percentage:

- i) the extent to which the proposal meets the objectives and priorities of this call (30%);
- ii) the extent to which the operation has a genuine transnational dimension. Priority will be given to activities involving partner organisations from at least five PROGRESS-participating countries (10%);
- iii) the involvement of partners, i.e. the degree of participation and commitment in the activity at the time of submission of the application, the range of eligible countries and variety of actors. Please note that the Commission does not consider it appropriate to include independent consultants, conference organisers, etc., as project partners. Please read Annex I carefully (10%);
- iv) the added value and innovativeness of the activity (10%);
- v) the lasting impact and/or multiplier effect(s) of the activity<sup>3</sup> (10%);
- vi) the arrangements for publicising the activity and the dissemination methods envisaged (10%);
- vii) the overall quality, clarity and completeness of the proposal and budget explanation (10%);
- (viii) the financial quality of the proposal including its likely value for money and cost-effectiveness (10%).

The Commission reserves the right to reject proposals from organisations which have failed to

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<sup>2</sup> This requirement does not apply to public bodies.

<sup>3</sup> The multiplier effect refers to how the project and its results will promote change in other fields, e.g. geographical, sectoral, thematic, etc.

comply with their contractual obligations in relation to earlier agreements.

The Evaluation Committee also reserves the right when assessing projects to take into account the effectiveness and added value of previous projects undertaken by the applicant with Commission funding.

## 5 PRACTICAL PROCEDURES

### 5.1 Where can the application form be obtained?

The compulsory online application form as well as the other forms and other useful documents (e.g. the European Communities' Financial Regulation and Implementing Rules) can be found at the following Internet address: [http://ec.europa.eu/employment\\_social/emplweb/tenders/index\\_calls\\_en.cfm](http://ec.europa.eu/employment_social/emplweb/tenders/index_calls_en.cfm).

### 5.2 Where does the application need to be sent?

Please send your covering letter of application, together with all the other documents listed in the table under section 4.3 "**Eligibility of applications**" above as signed originals, as well as **one copy of each of these documents by the deadlines indicated above**, to the following address:

*Call for proposals – VP/2009/010*  
*BUDGET HEADING 04.04.01.03*  
*European Commission – DG EMPL/F.3*  
*Archives – courier J54 00/036*  
*B – 1049 Brussels*  
*Belgium*

Please send your application by registered mail or express courier service only and keep proof of the date of sending (the date of the post office stamp or express courier receipt will be considered as proof of the date of sending). Any applications sent by other means (fax) or to other addresses will be rejected.

Hand-delivered applications must be received by the European Commission by 16.00h on the last day for submission. The address for hand deliveries of documents for the European Commission is: Avenue du Bourget 1, B-1140 Evere, Belgium. Proof of delivery is a signed receipt from the Commission's Archives Service stamped with the date of the last day for submission or earlier.

Regarding the presentation of the application file, it is recommended to:

- follow the order of documents as listed in the table under **section 4.3 "Eligibility of applications"**;
- print the documents double-sided, where possible;
- use only 2-hole folders (do not bind or glue).

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

**ALL ENQUIRIES MUST BE MADE BY E-MAIL ONLY TO:**

**[empl-04-04-01-03@ec.europa.eu](mailto:empl-04-04-01-03@ec.europa.eu)**

**- PLEASE DO NOT TELEPHONE -**

### **5.3 What next? Accepted and rejected applications**

#### ***Rejected applications***

The European Commission will notify unsuccessful applicants no later than one month after the meeting of the Evaluation Committee at which the application was examined. Requests concerning the progress of dossiers sent prior to this deadline will not be answered. Rejected proposals may be resubmitted in response to a future call. They will, however, only be considered if a new and complete application file including all supporting documents is sent to the Commission by the relevant deadline. Documents submitted with previous applications will not be taken into account.

#### ***Selected applications***

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

The financial guidelines for applicants (annex I) explains in greater detail other important considerations concerning agreements governing the award of grants.

## **6 PROGRESS – ADDITIONAL REQUIREMENTS FOR THE 2009 CALLS FOR PROPOSALS**

### **6.1 Guide on how the activities are to be carried out**

The PROGRESS programme aims to promote gender mainstreaming in all its five policy sections and commissioned or supported activities. Consequently, the beneficiary will take the necessary steps to ensure that:

- gender equality issues, including the situation and needs of women and men, are taken into account when relevant for the drafting of the technical offer/proposal;
- the gender dimension is taken systematically into account in the implementation;
- performance monitoring includes the collection and compilation of data broken down by sex when needed;
- the proposed team and/or staff respect(s) the gender balance at all levels.

Equally, the needs of disabled people should be duly acknowledged and met. This will in particular entail that where the beneficiary organises training sessions or conferences, issues publications or develops dedicated websites, people with disabilities have equal access to the facilities or the services provided.

Finally, the European Commission encourages the beneficiary to promote equal

employment opportunities for all its staff and team. This means that the beneficiary should foster an appropriate mix of people, irrespective of ethnic origin, religion, age, and qualifications.

The beneficiary will be required to detail in its activity report accompanying the request for the final instalment the steps and measures it took to meet these requirements.

## 6.2 Publicity and information requirements

1 - As a matter of principle, with a view to facilitating monitoring and exploitation by the European Commission of all results obtained and outputs delivered under the PROGRESS programme, the beneficiary will be required to provide – either upon specific request or in any event with the final activity report – for each of the tasks co-financed under the present call the following elements:

- presentation of the key points on one page. Key points should be concise, clear and easily understandable. This must be provided in English, French and German. Other Community languages would be welcome, though not compulsory;
- and an executive summary of 5 to 6 pages in English, French and German.

2 - In accordance with the general conditions, the beneficiary must acknowledge that the service/activity is delivered on behalf of/with the support of the Community in all documents and media produced, in particular the final published results, reports, brochures, press releases, videos, software, etc, including at conferences or seminars, as follows. In the context of PROGRESS, the beneficiary must use the following wording:

*This (publication, conference, training session) is supported by the European Community Programme for Employment and Social Solidarity (2007-2013). This programme is managed by the Directorate-General for Employment, Social Affairs and Equal Opportunities of the European Commission.*

*This programme was established to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields.*

*This seven-year programme is for all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, the EFTA-EEA countries and the EU candidate and pre-candidate countries.*

*PROGRESS's mission is to strengthen the EU contribution in support of Member States' commitments and efforts to create more and better jobs and to build a more cohesive society. To that effect, PROGRESS will be instrumental in:*

- *providing analysis and advice on PROGRESS policy areas;*
- *monitoring and reporting on the implementation of EU legislation and policies in PROGRESS policy areas;*
- *promoting policy transfer, learning and support among Member States on EU objectives and priorities; and*

- *passing on the views of the stakeholders and society at large.*

*For more information see:*

<http://ec.europa.eu/social/main.jsp?catId=327&langId=en>

For publications it is also necessary to include the following reference: "The information contained in this publication does not necessarily reflect the position or opinion of the European Commission".

With regard to publication and any communication plan associated with the activity/work programme, the beneficiary must insert the European Union logo and any another logo developed for the employment and social solidarity fields, and mention the European Commission as the Contracting Authority in every publication or related material developed under the present service contract/grant agreement.

### **6.3 Reporting requirements**

PROGRESS will be implemented through results-based management - RBM. Managing for outcomes and results is about working to maximise results for European citizens. This involves:

- identifying the most important results for European citizens;
- managing for these results, including setting clear objectives, implementing plans based upon these results and learning about 'what works' in the process;
- seizing opportunities to work together whenever this helps achieve the results.

As a first step, a strategic framework for the implementation of PROGRESS has been developed in collaboration with Member states and civil society organisations. This provides the framework for implementing PROGRESS, complemented by the performance measurement, which defines PROGRESS's mandate and its long-term and specific outcomes. See the Annex for an overview of the PROGRESS performance measurement framework. For more information on the strategic framework, please visit the PROGRESS website.

The Commission will in that context monitor the impact of PROGRESS-supported or PROGRESS-commissioned initiatives and consider how these initiatives contribute to PROGRESS outcomes as defined in the strategic framework. Accordingly, the beneficiary will be asked to work in close cooperation with the Commission and/or persons authorised by it to define expected contributions and the set of performance benchmarks against which their contribution will be assessed. The beneficiary will be called upon to collect data and report to the Commission and/or persons authorised by it on its performance, using as a basis a model to be enclosed with the grant agreement. In addition, the beneficiary will make available to the Commission and/or persons authorised by it all documents or information to allow PROGRESS performance to be measured and will give the Commission/these persons the necessary rights of access.

# OVERVIEW OF PROGRESS PERFORMANCE MEASUREMENT

## PROGRESS Ultimate Outcome

*Member States implement laws, policies and practices in a manner that contributes to the desired outcomes of the Social Agenda*

PROGRESS works toward its ultimate outcome by helping strengthen the EU's support for Member States' efforts to create more and better jobs and to build a more cohesive society. PROGRESS seeks to contribute to (i) an **effective legal regime** in the EU in relation to the Social Agenda; (ii) **shared understanding** across the EU with regard to Social Agenda objectives; and (iii) **strong partnerships** working toward Social Agenda objectives.

In operational terms, support provided by PROGRESS facilitates (i) provision of analysis and policy advice; (ii) monitoring and reporting on the implementation of EU legislation and policies; (iii) policy transfer, learning and support among Member States; and (iv) relaying to decision-makers the views of the stakeholders and society at large.

### Legal Regime

#### Outcome:

*Compliance in Member States with EU law related to PROGRESS areas.*

#### Performance Indicators

1. Transposition rate of EU law on matters related to PROGRESS policy areas
2. Effectiveness of application in Member States of EU law on matters related to PROGRESS policy areas.
3. EU policies and legislation are grounded in thorough analysis of situation and responsive to conditions, needs and expectations in Member States in PROGRESS areas
4. Extent to which PROGRESS-supported policy advice feeds into the development and implementation of EU legislation and policies
5. Cross-cutting issues are addressed in PROGRESS policy sections
6. EU policies and legislation display a common underlying logic of intervention in relation to PROGRESS issues
7. Gender mainstreaming is systematically promoted in PROGRESS

### Shared Understanding

#### Outcome:

*Shared understanding and ownership among policy/decision-makers and stakeholders in Member States, and the Commission, of objectives related to PROGRESS policy areas.*

#### Performance Indicators

1. Attitudes of decision-makers, key stakeholders and general public regarding EU objectives in PROGRESS policy areas
2. Extent to which national policy discourses or priorities reflect EU objectives
3. Extent to which principles of good governance (including minimum standards on consultation) are respected in policy debate
4. Extent to which the outcomes of policy debates feed into the development of EU law and policy.
5. Greater awareness of policy-and decision-makers, social partners, NGOs, networks regarding their rights/obligations in relation to PROGRESS policy areas
6. Greater awareness of policy-and decision-makers, social partners, NGOs, networks regarding EU objectives and policies in relation to PROGRESS policy areas

### Strong Partnerships

#### Outcome:

*Effective partnerships with national and pan-European stakeholders in support of outcomes related to PROGRESS policy areas.*

#### Performance Indicators

1. Existence of common ground/consensus among policy and decision-makers and stakeholders on EU objectives and policies
2. Identification and involvement by the EU of key actors in a position to exert influence or change at EU and national levels
3. Effectiveness of partnerships in relation to outcomes related to PROGRESS policy areas.
4. Number of individuals served or reached by networks supported by PROGRESS.
5. Extent to which advocacy skills of PROGRESS-supported networks have improved
6. Satisfaction of EU and national authorities with the contribution of networks
7. Extent to which PROGRESS-supported networks take a cross-cutting approach

**ANNEX I**

**FINANCIAL GUIDELINES FOR APPLICANTS**

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**The purpose of this document is to enable applicants to prepare their grant applications.**

Please be sure to read these guidelines carefully before replying to the current call for proposals.

## MAIN FINANCIAL AND MANAGEMENT RULES

**Disclaimer:** this document provides the applicants with a quick summary of the main legal and financial rules contained in the Financial Regulation applicable to the general budget of the European Communities<sup>4</sup> and its Implementing Rules<sup>5</sup>. The information given is not exhaustive and beneficiaries are therefore asked to carefully read the agreement sent to them, as it will constitute the legal basis for the grant.

### 1 GENERAL PRINCIPLES

Grants are subject to the principles laid down in the Financial Regulation, in particular the principles of co-financing, prohibition of double financing and no-profit.

#### *Co-financing principle*

Community grants may not finance the entire cost of the action to be subsidised. The applicant must contribute to the implementation of the action either by way of own resources or by financial contribution from third parties (in the form of public or private assistance obtained elsewhere).<sup>6</sup>

#### *No double financing rule*

Each action may give rise to the award of only one grant, there can be no duplicate European Community funding of the same expenditure. The applicant must indicate the sources and amounts of any other funding received or applied for in the same financial year for the same action or for any other action and for routine activities.<sup>7</sup>

#### *No-profit rule*

The Community grant may not have the purpose or effect of producing a profit for the beneficiary. Profit is defined as a surplus of total actual receipts over the total actual costs of the action. Any income of the action must be indicated in the estimated budget and the final financial statement. The amount of the grant will be reduced by the amount of any surplus.<sup>8</sup>

### 2 RULES RELATED TO THE GRANT REQUESTED

- The Community grant will not exceed 80% of the total eligible costs.
- The applicant organisation and/or other fund providers are required to make financial (cash) contribution(s) to the proposal of at least 20% of the total eligible costs.
- The grant does not cover ineligible costs (see below for definition).
- Contributions in kind (unpaid charity work by a private individual or corporate body, etc.) cannot be accepted.
- Signed letters of commitment from the applicant organisation and/or other sources must be provided stating the precise amount of each financial (cash) contribution to the budget. If other institutions or organisations (partners) are involved in carrying out the project, the letter of commitment/partnership, from each of the partners, should also provide the name, address and person responsible and explain the nature of their involvement.

<sup>4</sup> Council Regulation (EC, Euratom), n° 1605/2002 of 25.06.2002 (OJ L 248, 16.09.2002), as amended by Regulation n° 1995/2006 (OJ L 390, 30.12.2006)

(<http://eur-lex.europa.eu/LexUriServ/site/en/consleg/2002/R/02002R1605-20070101-en.pdf>)

<sup>5</sup> Commission Regulation (EC, Euratom) n° 2342/2002 of 23.12.2002, (OJ L 357, 31.12.2002) and subsequent amendments: Commission Regulation (EC, Euratom) n° 1261/2005 of 20.07.2005 (OJ L 201, 02.08.2005), Commission Regulation (EC, Euratom) n° 1248 of 07.08.2006 (OJ L 227, 07.08.2006) and Commission Regulation n° 478/2007 (OJ L 111, 28.04.2007)

(<http://eur-lex.europa.eu/LexUriServ/site/en/consleg/2002/R/02002R2342-20070501-en.pdf>)

<sup>6</sup> Art. 113 FR and 172 IR

<sup>7</sup> Art. 111 FR and 173(5) IR

<sup>8</sup> Art. 109(2) FR and 165(1) IR

- An external audit report of the previous accounts of the applicant organisation produced by an approved external auditor must be provided for grant applications where the cost to be financed exceeds EUR 500.000.<sup>9</sup> The report must certify the accounts for the last financial year available.
- The partial or total withholding by the applicant of any information that may have an impact on the Commission's final decision concerning the application will entail the automatic disqualification of the application or, if discovered at a later stage, will entitle the Commission to impose financial and administrative penalties<sup>10</sup>.

### **3 THE ESTIMATED BUDGET OF THE ACTION**

#### **3.1 The budget must be detailed and balanced**

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

The budget estimate must be properly balanced: the two totals (income and expenditure) must be the same, since the available income (including the grant requested from the Commission) will have to finance the planned expenditure<sup>11</sup>. Please make sure that all the items related to the implementation of the action are included and not just those for which financing is being sought.

#### **3.2 Expenditure**

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

##### **3.2.1 General criteria for eligibility of costs**

In order to be eligible for Community funding, costs must meet the following criteria<sup>12</sup>:

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

<sup>9</sup> Art. 173(4) IR (No audit report is required from public bodies or international organisations.)

<sup>10</sup> Art. 175 IR

<sup>11</sup> Art. 173(3) IR

<sup>12</sup> Art. 172a IR

management, in particular regarding economy and efficiency.

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

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

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

Expenditure eligible for financing may not have been incurred before the grant application was lodged.

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

### 3.2.2 Eligible direct costs

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

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

#### **Staff costs**

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

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

Please, fill in the form reserved for these costs in the budget estimate (see application form) indicating the persons to be remunerated (full-time/part-time), the number of days of work to be performed and the daily rate calculated on the basis of an average of 20 days per month, up to a maximum total of 220 working days per year.

When submitting the request for final payment, the beneficiary may have to provide pay slips and timesheets justifying the actual staff costs declared.

The cost of any work to be performed by external experts by means of subcontracting must not be included in staff costs but under services.

#### **Travel, accommodation and subsistence allowances**

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

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

class train ticket.

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

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

The maximum amounts (in Euro per calendar day) accepted for each country are set out in the table below, and applicants are advised to adhere to these rates in their budget estimates<sup>13</sup>:

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

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

### **Catering**

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

<sup>13</sup> The daily allowance rates are subject to periodic review by the Commission.

accordingly.

### Costs of services

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

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

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

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

### Subcontracting

Any service undertaken by an external party in connection with the implementation of the action is considered to be **subcontracting**.<sup>14</sup>

Applicants should have the operational capacity to complete the action to be supported. However, when justified and necessary, parts of the project may be subcontracted to another person or organisation. In this case, the beneficiary shall ensure that some<sup>15</sup> of the terms applicable to itself under the agreement are also applicable to the subcontractors.

It must be clearly specified in the description of the project which tasks it is intended to subcontract and why this subcontracting is necessary.

### Main rules related to subcontracting activities

When concluding external contracts in order to implement the action, the beneficiary must seek competitive tenders from potential contractors and award the contract to the bid offering **the best value for money, i.e. the best price-quality ratio**. In doing so, the beneficiary shall observe the principles of transparency and equal treatment of potential contractors and shall take care to avoid any conflict of interests<sup>16</sup>.

When the beneficiaries expect to subcontract and the value of the procurement contract awarded exceeds EUR 60 000, they shall include a model of the specifications that they expect to use (see model of specifications in Annex II) and they must, if requested, be able to prove (including proof of posting) that they have sought bids from at least five different tenderers.

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<sup>14</sup> Art. 120FR, 184 IR

<sup>15</sup> The terms related to liability, conflict of interests, confidentiality, publicity, evaluation, assignment and checks and audits

<sup>16</sup> In addition to these general rules, where the value of the external contract exceeds EUR 60 000, beneficiaries may be required to apply specific rules of procedure which are based on the Financial Regulation and determined with due regard to the estimated value of the contracts concerned, the relative size of the Community contribution in relation to the total cost of the action and the management risk

The Commission reserves the right to verify that the beneficiary has carried out the subcontracting in accordance with the description provided and with the rules included in the grant agreement. Failure to comply with these conditions will constitute grounds for non-acceptance of the costs of subcontracting in the final accounts of the beneficiary.

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

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

#### **Administration costs**

Depreciation for purchase of equipment<sup>17</sup>: the purchase cost of equipment (new or second-hand) is eligible provided that it is written off in accordance with the tax and accounting rules applicable to the beneficiary and generally accepted for items of the same kind. Only the portion of the equipment's depreciation corresponding to the period of eligibility for Community funding covered by the grant agreement and the rate of actual use for the purposes of the action may be taken into account by the Commission. A justification for the need of purchasing such equipment is to be annexed to the budget estimate.

Other eligible administrative costs are: rent of meeting rooms (coffee breaks included), rent of interpretation booths, communications' costs, charges for financial services, costs relating to a bank guarantee and to external audits, etc. Indicative amounts for rental of booths, excluding technical equipment: 750€ (excluding VAT) per day. Rental of booths with equipment and technical assistance: 1200€ (excluding VAT) per day.

#### 3.2.3 Eligible indirect costs - Overheads

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

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

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

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<sup>17</sup> Art. 172 IR

### 3.2.4 Non-eligible costs

The following expenses are ineligible and not accepted:

- contributions in kind: these are contributions that are not invoiced, e.g. voluntary work, equipment or premises made available free of charge;
- return on capital;
- debt and debt service charges;
- doubtful debts;
- provisions for losses or potential future liabilities;
- interest owed;
- exchange losses;
- VAT, unless the beneficiary can show that he/she is unable to recover it,<sup>18</sup>
- excessive or reckless expenditure;
- costs declared by the beneficiary and covered by another action or work programme receiving a Community grant.

### 3.3 Income

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

- The beneficiary's contribution in cash: the direct monetary (cash) contribution from the applicant's own resources and/or the contribution from any other fund providers. This means a financial flow that can be traced in the written accounts of the beneficiary;
- The revenue generated by the action: any income expected to be generated by the implementation of the action should be detailed (e.g. the yield from sales of publications);
- The Community grant: the grant requested from the Commission.

## 4 HOW THE GRANT WILL BE CALCULATED

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

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

### *Determination of the final amount of the grant*

The Community final grant is calculated on the basis of the **actual** eligible expenditure by applying the "double ceiling" rule and verifying compliance with the no-profit rule.

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

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

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<sup>18</sup> It should be noted that VAT paid by a public body to operators who are subject to VAT (when purchasing goods or supplying services within the framework of the implementation of the co-financed action) is not eligible. The VAT thus collected by operators liable for tax will in fact be returned to accounts of the Member State of the public body. Considering this VAT as an eligible cost would lead to double financing (by the Community and by the fiscal revenue).

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

**- Verification of compliance with the no-profit rule**

The grant may not have the purpose or effect of producing a profit for the beneficiary<sup>19</sup>. On the basis of the above rule if the total income of the action is higher than the total costs, the final grant amount will be reduced accordingly so that it will not produce a profit.

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

## **5 AGREEMENT GOVERNING THE GRANT**

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

The agreement may only be modified (notably the budget and the implementation period) in exceptional circumstances. Such requests must be received no later than one month before the end of the period stipulated in the agreement.

## **6 PAYMENT PROCEDURES**

The payment arrangements will be laid down in the grant agreement. The payment procedures will depend on the length of the action and the amount of the grant awarded.

As a general rule, the payment of the grant will be made in three instalments (two pre-financing payments and a final payment under the following conditions:

- A pre-financing payment of 30% at the signature of the grant agreement;
- A second pre-financing payment of 40% of the total amount awarded upon receipt and approval by the Commission of a progress report on implementation of the action and detailed statement of the costs already incurred, showing that at least 70% of the previous pre-financing payment has been used up. Where the consumption of the previous pre-financing is less than 70%, the amount of the new-pre-financing payment shall be reduced by the unused amounts of the previous pre-financing payment<sup>20</sup>;
- The balance will be paid upon acceptance by the Commission of the final technical implementation report and final financial statement.

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<sup>19</sup> Art. 109(2) FR

<sup>20</sup> Art. 180(1) IR

## **7 GUARANTEE<sup>21</sup>**

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

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

The guarantee shall be released as the pre-financing is gradually cleared against interim payments or payments of balances to the beneficiary in accordance with the conditions laid down in the grant agreement.

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

## **8 BANK ACCOUNT AND INTEREST GENERATED BY PRE-FINANCING PAYMENTS<sup>22</sup>**

Payment shall be made to the beneficiary's bank account or sub-account denominated in Euro. This account or sub-account indicated by the beneficiary must make it possible to identify the funds transferred by the Commission.

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

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

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

Interests shall not be due to the Communities for pre-financing paid to Member States, to their regional or local authorities including organisms and administrative and instrumental structures under their control or paid in the framework of joint management with international organisations.

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

## **9 SUBMISSION OF REPORTS AND OTHER DOCUMENTS**

The project manager must keep the Commission informed on the progress of the activity and informed in good time of the main events being organised as part thereof.

The final report on the implementation of the action along with a final financial statement of all actual expenditure and actual revenue are to be sent within three months from the closing date of the action. The final report should answer at least to the following questions:

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<sup>21</sup> Compulsory in the case of pre-financing representing over 80% of the total amount of the grant and exceeding EUR 60 000. However, this requirement may be waived for public-sector bodies and international organisations or for beneficiaries who have signed a framework partnership agreement with the Commission. (Art.118 FR and 182(1) IR)

<sup>22</sup> Art. 5(a) FR, Art. 3, 4, 4(a) IR

1. *How was the project carried out? Was it carried out in accordance with the description of the action annexed to the grant agreement? (Please provide a description of the project, its results and methodology, planned activities, timetable, partners, participants (a list of participants with their original signatures), as well as details of all products developed for the activity itself or as a result of the activity, in the various languages provided for in the project, etc.)*
2. *How has the operation met the objectives of the budget heading?*
3. *What is the transnational dimension of the operation?*
4. *How were social partners/stakeholders involved?*
5. *What contribution was made by the partners?*
6. *What was the added value of the project?*
7. *How was the operation publicised and how have the results been disseminated?*
8. *What other efforts have been made to ensure that the project has a lasting impact?*
9. *What lessons have been learnt from this experience?*
10. *Are there any plans to follow up this project, and if so, how?*

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

Should the final report be deemed to be inadequate and of low quality, the Commission reserves the right to request additional information within 60 days of reception of the final report, and, if necessary, to suspend the final payment until the requested information is provided.

## 10 PUBLICITY

Beneficiaries of the grant are required to mention clearly the fact that they have received funding from the Community in any publication and/or in other materials, or in the occasion of activities (conferences or seminars, etc.), for which the grant is used, using the following wording: "**With support from the European Union**". The logo of the EU should also be visible.

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

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

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

By signing the grant agreement for an action, the beneficiary authorises the Commission to publish the following information in any form and medium, including via the Internet site of the Community<sup>23</sup>:

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

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

<sup>23</sup> Art. 110(2) FR, 169(2) IR

## **11 EVALUATION**

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

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

## **12 CHECKS AND AUDITS**

An external audit report is required in the following cases:

### **12.1 Audit report in support of grant applications<sup>24</sup>.**

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

### **12.2 Audit report in support of requests for payment<sup>25</sup>**

In the case of a grant for an action over EUR 750 000, requests for payment shall, when the cumulative amounts per financial year of requests for interim payments and for payment of the balance is at least EUR 325 000, be accompanied by an external audit report produced by an approved auditor or in case of public bodies, by a competent and independent public officer. Its purpose is to certify that the submitted accounts comply with the financial provisions of the agreement, that the costs declared by the beneficiary in the financial statements on which the request for payment is based are real, accurately recorded and eligible according to the grant agreement and that all receipts have been declared.

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

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

## **13 PROCEDURE: ELECTRONIC MEANS OF SUBMISSION - SWIM**

The Internet Web application called "SWIM" (SAGA Web Input Module) allows applicants/beneficiaries to introduce, edit, validate, print and submit grant applications,

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<sup>24</sup> Art. 173(4) IR

<sup>25</sup> Art. 180(2) IR

request for payments and request for modifications on the budget estimate. SWIM can be accessed in the following web address<sup>26</sup>: <https://webgate.ec.europa.eu/swim>.

### **13.1 Introduction of grant applications**

The grant application form has to be electronically filled in as follows: first, access the system at the address mentioned above and click on the link "New grant application", then, select the number of the call for proposals you wish to apply for and, eventually, fill in your application. Once your application is completed, click on the "submission" button in order to finalise the submission procedure.

Please note that after having submitted your application form electronically no changes to the application are possible.

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

Failure to respect this procedure will render the application ineligible.

### **13.2 Requests for payments and budgetary modifications**

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

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

## **14 DATA PROTECTION**

The grant application will be processed by computer. All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.<sup>27</sup> Replies to the questions in the application form are necessary in order to assess the grant application and they will be processed solely for that purpose by the department responsible for the Community grant programme concerned. On request, applicants may be sent personal data and correct or complete them. For any question relating to these data, please contact the Commission department to which the form must be returned. Beneficiaries may lodge a complaint against the processing of their personal data with the European Data Protection Supervisor at any time.

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<sup>26</sup> For more technical details on SWIM utilisation, a user's manual is available on line

<sup>27</sup> Official Journal L 8, 12.1.2001.

MODEL FOR TENDER SPECIFICATIONS FOR SUBCONTRACTING EXTERNAL EXPERTISE

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Tender Specifications – .....

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1. **Background**
2. **Purpose of the Contract**
3. **Tasks to be performed by the Contractor**

**Description of tasks**

**Guidance and indications on tasks execution and methodology**

4. **Expertise required**
5. **Time schedule and reporting**
6. **Payments and standard contract**
7. **Price**
8. **Selection criteria**
9. **Award criteria**

*(option 1)*

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

- .....
- .....
- .....

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

*(option 2)*

The contract will be awarded to the tenderer whose offer represents the lowest price.

10. **Content and presentation of the bids**

**Content of the bids**

**Presentation of the bids**