

## **Open Call for Proposals**

**VP/2008/004**

**Promoting quality of Social Services of General Interest  
Under Budget Line 04.040102**

In view of the large number of enquiries, please do not telephone. Questions should be sent by e-mail only to: [empl-vp-2008-04@ec.europa.eu](mailto:empl-vp-2008-04@ec.europa.eu)

The English version of the call is the original.

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## 1. INTRODUCTION: PROGRESS

The Social Agenda (2005-2010) has fixed 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.

The Decision n°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 2006.

PROGRESS aims at supporting the core functions of the European Community towards fulfilling its Treaty-delegated tasks and powers in its respective areas of competence in the employment and social sphere. *PROGRESS* 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 policy 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
- relaying 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 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).

The present Call for proposals is issued in the context of the implementation of the 2008 annual plan of work which is consultable at [http://ec.europa.eu/employment\\_social/progress/annwork\\_en.htm](http://ec.europa.eu/employment_social/progress/annwork_en.htm) .

## 2. TRENDS AND POLICY CONTEXT

The term ‘Social services of general interest’ (SSGI) covers two broad types of services, the functions and organisation of which varies extensively across the EU: firstly, statutory and complementary social security schemes, organised in various ways (mutual or occupational organisations), covering the main risks of life, such as those linked to health, ageing, occupational accidents, unemployment, retirement and disability; secondly, other services provided directly to the person that play a preventive and socially cohesive role, such as social assistance services, employment and training services, social housing, child care or long-term care. These services play a vital role in our societies and provide an important contribution to the fulfilment of basic EU objectives such as social, economic and territorial cohesion, a high level of employment, social inclusion and economic growth. They are often organised at a local level and are heavily dependent on public funding<sup>1</sup>.

In the last two decades, EU Member States have been modernising SSGI in order to better respond to changing needs and societal challenges, whilst at the same time facing financial constraints. This has often resulted in profound changes in the way in which these services are organised, provided and financed, including the emergence of new areas of action, the recourse to outsourcing of services previously provided directly by public authorities and an increasing devolution of competences to the local level.

The large consultation process launched by the European Commission following the 2006 communication on SSGI<sup>2</sup> has highlighted the need to promote high-quality SSGI and, in particular, to better define, measure, assess and improve quality.

This need is closely related to several trends, highly relevant for SSGI provision. This list is not exhaustive:

- The trend towards the outsourcing of services and their decentralisation has increased public authorities’ need to define clearly the services they are delegating and the quality they expect.
- The changing needs of SSGI users, dependent upon the observed societal changes (ageing of the population, changing in family structures, etc.), have altered the demand for SSGI and contributed to the diversification of SSGI providers.
- Service quality depends on the skills and availability of staff (formal and informal) active in this sector.
- Within the slowly emerging internal market for social services, cross-border provision is developing.
- Finally, the long-term care sector is facing numerous challenges (e.g., ageing population, changes in family structure creating scarce “informal care” resources, need for choice, the peculiar vulnerability of the users, etc.). These pressures have lead to numerous

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<sup>1</sup> On SSGI, see the Commission Communication: "Implementing the Community Lisbon programme: Social services of general interest in the European Union", COM(2006) 177 final, 26.04.2006, and the Commission Communication "Services of general interest, including social services of general interest: a new European commitment", COM(2007) 725 final, 20.11.2007.

<sup>2</sup> Quoted in footnote1.

reforms in Member States and also to the recognition of the need to support the development of good practices and high quality in this sector.

Therefore, in its communication on services of general interest, including social services of general interest, of November 2007 (hereafter, the 2007 SGI/SSGI communication)<sup>3</sup>, the European Commission has announced an EU strategy for the promotion of SSGI quality.

### 3. OBJECTIVES

**As part of this strategy, the objective of this call for proposals is to support bottom-up initiatives aimed at developing mechanisms for the definition, measurement, assessment and improvement of quality of SSGI. Preference will be given to initiatives having a trans-national character.**

For the purposes of this call, quality shall refer to the scope of the services provided and to their management. This call will support initiatives that refer to trans-national quality definition, quality assessment and/or quality improvement mechanisms. Initiatives can be supported whether they refer to external or internal quality assurance and quality improvement strategies, whether they are organised at national, regional or local level. Particular attention should be paid to the adaptability of the identified mechanisms to the local context and to the transferability of such mechanisms across countries: in other terms, the identified quality mechanisms should be sufficiently flexible as to take into account local/across-country diversities concerning users' needs, service provision, etc. whilst not losing their pertinence. These initiatives should preferably involve actors from a good mix of eligible PROGRESS-participating countries, engaging in trans-national information exchange and mutual learning.

In addressing quality, proposals should reflect the objectives and principles of organisation of social services identified in the 2007 SGI/SSGI communication (see box below) and, in particular, the importance of users' and stakeholders' involvement in the establishment, performance and evaluation of social services and the integrated provision of social services to reflect the multiplicity of user needs.

#### Box 1

##### **Objectives and principles of organisation of social services**

Social services are often meant to achieve a number of specific aims:

- *they are person-oriented services, designed to respond to vital human needs, in particular the needs of users in vulnerable position; they provide protection from general as well as specific risks of life and assist in personal challenges or crises; they are also provided to families in a context of changing family patterns, support their role in caring for both young and old family members, as well as for people with disabilities, and compensate possible failings within the families; they are key instruments for the safeguard of fundamental human rights and human dignity;*

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<sup>3</sup> Quoted in footnote1.

- *they play a preventive and socially cohesive role, which is addressed to the whole population, independently of wealth or income;*
- *they contribute to non-discrimination, to gender equality, to human health protection, to improving living standards and quality of life and to ensuring the creation of equal opportunities for all, therefore enhancing the capacity of individuals to fully participate in the society.*

These aims are reflected in the ways in which these services are organised, delivered and financed:

- *in order to address the multiple needs of people as individuals, social services must be comprehensive and personalised, conceived and delivered in an integrated manner; they often involve a personal relationship between the recipient and the service provider;*
- *the definition and delivery of a service must take into account the diversity of users;*
- *when responding to the needs of vulnerable users, social services are often characterised by an asymmetric relationship between providers and beneficiaries which is different from a commercial supplier / consumer relationship;*
- *as these services are often rooted in (local) cultural traditions, tailor-made solutions taking into account the particularities of the local situation are chosen, guaranteeing proximity between the service provider and the user while ensuring equal access to services across the territory;*
- *service providers often need a large autonomy to address the variety and the evolving nature of social needs;*
- *these services are generally driven by the principle of solidarity and are highly dependent on public financing, so as to ensure equality of access, independent of wealth or income;*
- *non-profit providers as well as voluntary workers often play an important role in the delivery of social services, thereby expressing citizenship capacity and contributing to social inclusion, the social cohesion of local communities and to intergenerational solidarity.*

Proposals should refer to the following **key policy objectives**<sup>4</sup>:

## **Box 2**

### **Key Policy Objectives**

- Promotion of accessible high-quality social services within the EU and development of mechanisms for the definition, measurement, assessment and improvement of quality for SSGI or specific sectors of SSGI. In this context, accessibility of services comprises both

<sup>4</sup> These objectives reflect the common objectives identified by the European Council of March 2006 in the field of the streamlined Open Method of Coordination for social protection and social inclusion, as well as the 2007 Communication and the Commission Communication "Modernising social protection for greater social justice and economic cohesion: taking forward the active inclusion of people furthest from the labour market", COM(2007) 620 final, 17.10.2007.

availability and affordability, whilst quality of services comprises: user involvement, monitoring, performance evaluation and sharing of best practices; investment in human capital; working conditions; framework for equality both in recruitment policies and in service provision; coordination and integration of services and adequate physical infrastructure, especially in relation to social housing<sup>5</sup>.

- Promotion of social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies.
- Promotion of effective and mutual interaction among the Lisbon objectives of greater economic growth, more and better jobs and greater social cohesion, and with the EU's Sustainable Development Strategy.
- Promotion of good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy.
- Ensuring access for all to the resources, rights and services needed for participation in society, preventing and addressing exclusion, and fighting all forms of discrimination leading to exclusion.
- Ensuring the active social inclusion of all, both by promoting participation in the labour market and by fighting poverty and exclusion.
- Ensuring that social inclusion policies are well-coordinated and involve all levels of government and relevant actors, including people experiencing poverty, that they are efficient and effective and mainstreamed into all relevant public policies, including economic, budgetary, education and training policies and structural fund (notably ESF) programmes.
- Ensuring access for all to adequate long-term care and that the need for care does not lead to poverty and financial dependency; and that inequities in access to care and in health outcomes are addressed.
- Ensuring quality in long-term care by adapting care to the changing needs and preferences of society and individuals, and notably by developing quality standards reflecting best international practice and by strengthening the responsibility of health professionals and of patients and care recipients.
- Ensuring that adequate and high-quality long-term care remains affordable and financially sustainable by promoting a rational use of resources, notably through appropriate incentives for users and providers, good governance and coordination between care systems and public and private institutions. Long-term sustainability and quality require the promotion of healthy and active life styles and good human resources for the care sector.
- Promotion of the role and contribution of the social economy.
- Strengthening the cross-border provision of quality social services.

It is recommended that proposals should focus on the above mentioned policy objectives; however, other themes could be considered provided that they clearly respond to the objective of the present call for proposals. When selecting the projects to be funded, preference will also be given to particularly innovative approaches.

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<sup>5</sup> See the Commission Communication "Modernising social protection for greater social justice and economic cohesion: taking forward the active inclusion of people furthest from the labour market" quoted in footnote 4.

Whatever the particular area for which applicants are submitting a proposal, they are requested to ensure mainstreaming equality between men and women at all stages of the work they are proposing.<sup>6</sup> They are also asked to take into account, as appropriate, the needs of disabled people in terms of the accessibility of activities they will be undertaking and results they will be disseminating when developing their proposal.

#### **4. TIMETABLE**

Activities must have a start date in the fourth quarter of 2008 for a minimum duration of 12 months and a maximum duration of 24 months.

#### **5. EXPECTED RESULTS**

The European Commission:

- expects projects to propose a clear end-product related to the development of mechanisms aimed at the definition, measurement, assessment and improvement of quality (e.g., proposals for cross-national implementation of quality assessment and improvement mechanisms; follow-up of ongoing local sectorial or cross-sectorial initiatives of quality assessment and improvement; definition and dissemination of practices and guidelines for quality definition, assessment, measurement and improvement; definition and dissemination of practices and guidelines for the training of staff on the implementation of quality assessment and improvement mechanisms, etc). The end-product can refer to different stages of the development process concerning quality definition, assessment, measurement and improvement mechanisms.
- encourages sector-specific initiatives, especially, but not exclusively, in the field of long-term care. With regard to long-term care, proposals should focus on the social components of long-term care, such as social care or the transition from a medical setting into the domiciliary one (be it institutional care or home care).
- alternatively, welcomes projects that may focus on horizontal, cross-sectorial initiatives, which will also be considered as long as they are structured around a specific theme.
- expects projects to neither refer to health care services nor to medical services as such. Projects could address the provision of integrated services aimed at the coordination between different services (health and social care) for vulnerable groups.
- expects projects to involve users and staff active in the SSGI sectors in the definition of the quality mechanisms to be developed. These mechanisms shall facilitate the comparability of the services provided, enhancing the ability for users to make informed choices of services and service providers; they shall contribute to the protection of vulnerable users; they shall also account for the integrated approach in the provision of SSGI, aimed at addressing the multiplicity of users' needs.
- expects projects to propose an approach to disseminate the results of the project (e.g., seminar, report, website, toolkit, etc.).

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<sup>6</sup> See Article 3, paragraph 2, of the EC Treaty: "In all its activities, the Union shall aim to eliminate inequalities and to promote equality between men and women".

## **Guide on how the activities shall be carried out**

The PROGRESS Programme aimed at promoting 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 are taken into account when relevant for the drafting of the technical offer/proposal by paying attention to the situation and needs of women and men;
- implementation of the requested tasks includes a gender perspective by considering systematically women and men dimension;
- performance monitoring includes the collection and gathering of data disaggregated by sex when needed.
- its proposed team and/or staff respects the gender balance at all levels.

Equally, needs of disabled people shall be duly acknowledged and met while implementing the action. This will in particular entail that where the Beneficiary organises training sessions, conference, 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 entails that the Beneficiary shall foster an appropriate mix of people, whatever their ethnic origin, religions, age, and ability.

The Beneficiary will be required to detail in its activity report accompanying the request for the final instalment the steps and achievements it made towards meeting these requirements.

## **Publicity and information requirements**

1.- As a matter of principle, with a view to favouring valorisation by the European Commission of all results obtained and outputs delivered under 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 co-financed activities under the present Call the following:

- Presentation of their key points in one page. Key points should be concise, sharp and easily understandable. They shall be provided in English, French and German. Other Community languages would be welcome even if not compulsory.
- An executive summary in 5/6 pages in English, French and German

2.- In accordance with the General conditions, the Beneficiary is under the obligation to acknowledge that the present activity is delivered on behalf of/with the support of the Community in all documents and media produced, in particular final delivered outputs, related reports, brochures, press releases, videos, software, etc, including at conferences or seminars. In the context of PROGRESS the following formulation shall be used:

*This (publication, conference, training session) is supported by the European Community Programme for Employment and Social Solidarity (2007-2013) 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.*

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

*PROGRESS 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 policy 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*
- *relaying the views of the stakeholders and society at large*

*For more information see:*

[http://ec.europa.eu/employment\\_social/progress/index\\_en.html](http://ec.europa.eu/employment_social/progress/index_en.html)

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 linked to the present action, the Beneficiary will insert the European Union logo, and, if any, another logo developed for the employment and social solidarity fields.

## **Reporting Requirements**

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

- Identifying the most important results for European citizens;
- Managing for these results, including setting clear desired results, 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 organisations from the civil society. The Strategic Framework provides the framework for implementing PROGRESS, complemented by the Performance Measurement, which defines PROGRESS mandate, its long-term and specific outcomes. See in Annex the overview of PROGRESS performance measurement framework. For more information on the strategic framework, please visit PROGRESS website.

The Commission will in that context monitor the effect of PROGRESS supported or commissioned initiatives and consider how these initiatives contribute to PROGRESS outcomes as defined in the Strategic Framework. In that context, the Beneficiary will be asked to loyally work in close cooperation with the Commission and/or persons authorised by it to define their expected contributions and the set of performance measures against which their contribution will be assessed. The Beneficiary will be asked to collect and report on its own performance on a regular basis to the Commission and/or persons authorised by it. In addition, the Beneficiary will make available to the Commission and/or persons authorised by it all documents or information that will allow PROGRESS performance measurement to be successfully completed and to give them the rights of access.

## **6. EXCLUSION AND ELIGIBILITY CRITERIA**

In order to be considered for funding under this call, proposals will have to meet the following criteria:

### **Regarding the applicant**

1. be a properly constituted and registered legal entity established in one of the PROGRESS-participating countries with an established administrative and financial management structure<sup>7</sup>;
2. not be in one of the situations listed in Article 93(1), Article 94 and Article 96(2)(a) of the Financial Regulation. Consequently, the legal representative of the applicant organisation should sign a declaration on their honour<sup>8</sup> that they are not in one of the situations listed in Article 93(1) and Article 94 of the Financial Regulation applicable to the general budget of the European Communities (Council regulation (EC, Euratom) n° 1605/2002 of 25 June 2002)<sup>9</sup>.

### **Regarding the proposal**

3. be complete and comply with the rules of submission published in the call for proposals, have a start date in the fourth quarter of 2008 for a minimum duration of 12 months and a maximum duration of 24 months and submit a detailed, balanced and signed budget for the proposal, estimated in EUR;
4. only seek funding for activities in or involving PROGRESS-participating countries;
5. demonstrate that the proposed actions are not being financed twice from two different sources within the Community budget;
6. not seek funding for the operating costs of organisations, nor for their general ongoing activities, or for profit-making purposes;
7. not seek funding for actions which would normally be funded at national level or which would be more appropriately funded by other Community instruments (e.g. Structural Funds).

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<sup>7</sup> This call is open to the EU-27, EFTA/EEA countries, Croatia, F.Y.R. of Macedonia, Serbia and Turkey.

<sup>8</sup> This declaration by the applicant is annexed to the on-line application.

<sup>9</sup> OJ, L 248 of 16.09.2002, p. 26, as amended by Reg. n° 1995/2006, OJ, L 390, 30.12.2006.

## 7. SELECTION CRITERIA

In order to receive funding under this call, applicants will have to fulfil the following selection criteria:

### Regarding professional capacity

The applicant must have the professional competencies and qualifications required to complete the proposed action and document them:

1. expertise on the development and evaluation of quality processes,
2. expertise on the specific sector of social services of general interest or on the horizontal theme, addressed by the proposal.
3. language skills allowing for the development of a trans-national initiative,
4. ability to work in partnership with relevant organisations in the field,
5. ability to implement the proposed action.

To this end, the proposal must include any supporting documents requested as evidence of the applicant's operational capacity, such as **most recent activity report or annual report** from the applicant's organisation; a **list of the main projects** carried out in the last three years relating to the objective of the call by the applicant's organisation; the **curriculum vitae** of the persons who will perform the main tasks (project manager/coordinator and main contributors from the applicant's organisation).

### Regarding financial capacity

The applicant must have stable and sufficient sources of funding to maintain its activity throughout the action period and to help finance the project for at least 20% of the total eligible costs.

1. In order to enable the European Commission to evaluate the financial capacity of the applicant, the proposal must include: the **applicant's profit and loss accounts**, the **balance sheet** for the last financial year for which the accounts have been finalised. The "annual income/cost of the action" should be higher than 0.7 (examples: Turnover 200 000; total cost of the action 500 000 => ratio 0,4, not sufficient).
2. The applicant should also declare on their honour that:
  - He has the financial and operational capacity to carry out the proposed action;
  - He will respect co-funding commitments included in the budget proposal<sup>10</sup>, or provide, where necessary, letters of co-funding commitment produced by partner beneficiaries and/or external sponsors.

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<sup>10</sup> This declaration is included in the application form and should be dated and signed (SWIM application).

## **8. AWARD CRITERIA**

Applications which satisfy the above exclusion, eligibility and selection criteria will then be assessed on the following award criteria, which will be weighted as indicated below:

### **Policy criteria**

1. The extent to which the objective set is clearly operational, well described and the way in which it will be implemented is clearly explained (10%);
2. The degree to which the proposal effectively meets the objective of this call and will contribute in fulfilling the specific policy objectives stated in section 3 (15%);
3. The extent to which the proposal defines clear end-products, in line with the expected results as set out in section 5, and a focused approach to achieve them (15%);

### **Organisational criteria**

4. The extent to which the initiative involves (25%):
  - o A good mix of eligible countries. Preference will be given to initiatives involving actors from at least three PROGRESS-participating countries whose cooperation would allow for trans-national information exchange and mutual learning. The appropriateness of the mix of countries selected will be evaluated on the basis of the justification provided in the proposal, in line with the specific aim pursued by the proposal;
  - o A broad range of relevant actors such as public authorities, social partners, SSGI providers, SSGI users and/or people employed within the SSGI sector. Applications with a good mix of different actors are strongly encouraged;
5. The clarity and feasibility of the proposed work plan, including timetable and methodology, and in particular its capacity to achieve the planned objectives through well-identified and well-planned activities with clear and attainable time-lines and a clear allocation of tasks and responsibilities among the involved actors. In the case of initiatives involving actors from various countries, the methodology should clearly explain how the trans-national information exchange and mutual learning will be organised (15%);
6. The scope and effectiveness of the approach proposed for the dissemination of the results of the project (10%);
7. The quality and relevance of the planned monitoring and evaluation strategy of the initiative and of mechanisms foreseen to ensure the lasting effect of the project (5%).

### **Financial criteria**

8. The financial quality of the proposal including a reasonable and realistic budget and its value for money (5%).

### **Achieving balance**

In finalising its list of proposals to be supported, the European Commission will take into account:

1. the need to ensure a balance in the range of sectors and horizontal themes to be supported;
2. the importance of making sure that as many PROGRESS-participating countries as possible are involved in the exchange programme;
3. the need to involve a broad range of actors in the programme.

## **9. INDICATIVE AMOUNT**

The total budget should be around EUR 1.5 million. According to the quality of the received applications, the number of adopted projects should be around 5. Granted co-financing should consequently be around EUR 300,000 by project.

## **10. MAXIMUM PERCENTAGE OF COMMUNITY CO-FINANCING**

Community financial aid for each project will not exceed 80% of the total eligible costs. The applicant should guarantee co-financing in cash of the remaining 20%. Contributions in kind are not accepted.

Any application which requests a grant of more than 80% will be automatically excluded from the selection procedure.

Please read with care Annex III of this call for the rules governing eligible and ineligible costs.

## **11. RULES OF SUBMISSION**

**The deadline for submitting applications is: 18 – 07 – 2008**

Only applications submitted on the official forms will be considered.

Applicants are invited to fill in the online application form which has to be filled in by using the web application SWIM. It allows the applicant to introduce, edit, validate, print and submit a grant application. Applicants are invited to submit their project proposal in English, French or German in order to facilitate treatment of the proposals and commence the evaluation process as soon as possible. It should be noted however that applications in all other Community languages will be accepted. In this case, please include an executive summary of 5-6 pages either in English, French or German.

Applicants must complete the online application form (create a “SWIM account”) by registering on the following internet site (web gate):

|                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------|
| <a href="https://webgate.ec.europa.eu/swim/external/displayWelcome.do">https://webgate.ec.europa.eu/swim/external/displayWelcome.do</a> |
|-----------------------------------------------------------------------------------------------------------------------------------------|

**Before commencing, please read carefully the User’s Guide** (click on the “Help on SWIM” button at the top of the page):

[http://ec.europa.eu/employment\\_social/calls/pdf/swim\\_manual\\_en.pdf](http://ec.europa.eu/employment_social/calls/pdf/swim_manual_en.pdf)

After creating an account, the applicant will receive access details (user name and password) enabling to access the form (which can be completed at your leisure, saved for future reference and/or printed). A step-by-step online explanation is provided to help users complete the form.

**The compulsory annexes must also be filled in online on this site (then printed out for signature of the legal representative of the applicant organisation).**

Once the application form is filled out, applicants **must submit it in both electronic form and hard copy:**

**Electronically:** validate the request (click on the “send” button). This step is *irreversible*. Forms should be sent before the deadline;

**TRIPLICATE in hard copy and duly signed** (one marked “original” and two marked “copy”). Please send your cover letter of application together with all the other documents listed in the checklist by the deadline to the following address:

***Call for proposals VP/2008/004***  
***Application***  
***European Commission – DG EMPL/E.4***  
***Rue Joseph II 27 – 01/224***  
***B-1049 Brussels***

Please send your application by **registered mail or express courier** service only. Proof of posting (i.e. the post office stamp date or express courier receipt) should be conserved as it could be requested by the European Commission in cases of doubt regarding date of submission

**Hand-delivered applications** must be received by the European Commission before 4p.m. on the last day for submission at the following address:

***European Commission***  
***Service central de réception du courrier***  
***Call for proposal VP/2008/004 – DG EMPL E/4***  
***Avenue du Bourget, 1***  
***B-1140 Evere***

At that time the Mail Service will provide you with a signed receipt which should be conserved as proof of delivery.

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

With regard to presentation of applications, please:

- Follow the order of documents as listed in the checklist.
- Print the documents double-sided, where possible.
- Use 2-hole folders (do not bind or glue).

**The Annexes** give instructions for presenting the provisional budget for the proposed activity and the main financial provision of the grant agreement and the check-list the documents to be submitted with the application.

If you have any further queries, please contact us quoting the reference “VP/2008/004 your query” at the contact points below, allowing a reasonable time for response. Please note that we can only answer questions on the requirements of the call for proposals and the

application process. We cannot prejudge the assessment process by offering any opinion on the merits of a particular application. Prior opinions on the merits of particular applications would prejudice the entire call procedure and could lead to its cancellation.

**Our contact points are:**

- By post to the above address
- By fax to + 32 2 2998085
- By e-mail to [empl-vp-2008-04@ec.europa.eu](mailto:empl-vp-2008-04@ec.europa.eu)
- PLEASE DO NOT TELEPHONE -

## 12. NOTIFICATION PROCEDURE

1. **Receipt of applications** will be confirmed to all applicants in the three weeks following the call submission deadline. All applications received will be registered. A reference number will be allocated to each application and should be quoted in any further correspondence regarding the proposal.
2. No information regarding the award procedure will be disclosed until the award decision has been sent to the beneficiaries.
3. **Examination of applications:** all applications will be examined. Only proposals which satisfy the *eligibility and selection criteria* will be assessed against the *award criteria*. An evaluation committee specific to this call for proposals will be set up to evaluate the proposals.
4. **Rejected applications:** applicants whose proposals have not been selected for funding will be informed of the results of the evaluation process in writing. Reasons for the rejection of the application will be provided.
5. **Proposals accepted for funding:** successful applicants will receive two copies of the grant agreement for their acceptance and signature. Both copies must be sent back to the Commission which will then return one of them once it has been signed by both parties.
6. In 2009 the European Commission will publish on the Directorate General for Employment, Social Affairs and Equal Opportunities website the list of grant beneficiaries with the subject of the grant, the amount awarded and the rate of funding of the costs of the action.

## **ANNEX I – CHECKLIST OF THE DOCUMENTS TO BE SUBMITTED WITH APPLICATIONS**

Before sending your application, please number the documents as shown below and send in the following supporting documents **in triplicate (original + two identical copies)**.

The absence of any of these documents may invalidate your application.

| <b>Order</b> | <b>Document</b>                                                                                                                                                                                                                                                                                                                                                                       | <b>Check</b> | <b>To be downloaded from SWIM</b> |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------------------------|
| 1            | <b>Original cover letter</b> of application quoting the reference number of the call (VP/2008/004), duly signed and dated by the legal representative of the applicant organisation.                                                                                                                                                                                                  |              | NO                                |
| 2            | Print-out of the <b>online application form</b> , duly completed, dated and signed by the legal representative.                                                                                                                                                                                                                                                                       |              | YES                               |
| 3            | Print-out of the <b>Detailed Description of the Action and Time-Schedule</b> .                                                                                                                                                                                                                                                                                                        |              | YES                               |
| 4            | Print-out of <b>estimated budget</b> , duly dated and signed by the legal representative of the applicant organisation.                                                                                                                                                                                                                                                               |              | YES                               |
| 5            | Original version of the <b>co-funding commitment</b> signed by the legal representatives of the organisations concerned and <u>specifying the amount</u> of each cash contribution.                                                                                                                                                                                                   |              | NO                                |
| 6            | Print-out of <b>Declaration on honour (articles 93 (1) &amp; 94)</b> , signed by the legal representative.                                                                                                                                                                                                                                                                            |              | YES                               |
| 7            | Print-out of <b>Financial identification form</b> duly completed and signed by the legal representative and bearing the stamp and signature of the bank.                                                                                                                                                                                                                              |              | YES                               |
| 8            | Print-out of <b>Legal entity</b> form, completed and signed by the legal representative.                                                                                                                                                                                                                                                                                              |              | YES                               |
| 9            | Copy of the <b>official registration certificate</b> or any other official document attesting to the establishment of the organisation (not necessary for public bodies).                                                                                                                                                                                                             |              | NO                                |
| 10           | <b>Signed letters</b> of commitment from other involved actors, if any, confirming their participation to the proposal.                                                                                                                                                                                                                                                               |              | NO                                |
| 11           | <b>Detailed CV</b> (educational and professional qualifications) <b>and job specification</b> of the persons responsible for the overall management of the action in the applicant's organisation and in the organisations of other involved actors, if any (project manager/coordinator and main contributors from the applicant's organisation and from the other involved actors). |              | NO                                |
| 12           | <b>List of the main projects</b> carried out in the last three years relating to the objective of the call by the applicant's organisation and by the organisations of other involved actors, if any.                                                                                                                                                                                 |              | NO                                |
| 13           | Last <b>annual report</b> or most recent activity report from the applicant's organisation and from other involved actors, if any (not necessary for public bodies & international organisations).                                                                                                                                                                                    |              | NO                                |
| 14           | <b>Profit and loss accounts and balance sheets</b> for the last financial year from the applicant's organisation (not necessary for public bodies & international organisations).                                                                                                                                                                                                     |              | NO                                |

## **ANNEX II: OVERVIEW OF PROGRESS PERFORMANCE MEASUREMENT FRAMEWORK**

## 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 III: MAIN FINANCIAL PROVISIONS - 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>11</sup> and its Implementing Rules<sup>12</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.

## 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>13</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>14</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>15</sup>

## RULES RELATED TO THE GRANT REQUESTED

- The Community grant will not exceed (80%) of the total eligible costs.

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<sup>11</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>12</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>13</sup> Art. 113 FR and 172 IR.

<sup>14</sup> Art. 111 FR and 173(5) IR.

<sup>15</sup> Art. 109(2) FR and 165(1) IR.

- 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.
- 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>16</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>17</sup>.

## THE ESTIMATED BUDGET OF THE ACTION

### 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>18</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.

### Expenditure

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

<sup>16</sup> Art. 173(4) IR (No audit report is required from public bodies or international organisations.).

<sup>17</sup> Art. 175 IR.

<sup>18</sup> Art. 173(3) IR.

### *1.1.1. General criteria for eligibility of costs*

In order to be eligible for Community funding, costs must meet the following criteria<sup>19</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 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.

### *1.1.2. 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.

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<sup>19</sup> Art. 172a IR.

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>20</sup>:

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<sup>20</sup> The daily allowance rates are subject to periodic review by the Commission.

| Destinations |                | DSA<br>EUR | in<br>Maximum hotel<br>price in EUR |
|--------------|----------------|------------|-------------------------------------|
| AT           | Austria        | 95,00      | 130,00                              |
| BE           | Belgium        | 92,00      | 140,00                              |
| BG           | Bulgaria       | 70,00      | 205,00                              |
| CY           | Cyprus         | 93,00      | 145,00                              |
| CZ           | Czech Republic | 75,00      | 155,00                              |
| DE           | Germany        | 93,00      | 115,00                              |
| DK           | Denmark        | 120,00     | 150,00                              |
| EE           | Estonia        | 71,00      | 110,00                              |
| EL           | Greece         | 82,00      | 140,00                              |
| ES           | Spain          | 87,00      | 125,00                              |
| FI           | Finland        | 104,00     | 140,00                              |
| FR           | France         | 95,00      | 150,00                              |
| HR           | Croatia        | 60,00      | 120,00                              |
| HU           | Hungary        | 72,00      | 150,00                              |
| IE           | Ireland        | 104,00     | 150,00                              |
| RS           | Serbia         | 80,00      | 140,00                              |

| Destinations |                     | DSA<br>EUR | in<br>Maximum hotel<br>price in EUR |
|--------------|---------------------|------------|-------------------------------------|
| IT           | Italy               | 95,00      | 135,00                              |
| LT           | Lithuania           | 68,00      | 115,00                              |
| LU           | Luxembourg          | 92,00      | 145,00                              |
| LV           | Latvia              | 66,00      | 145,00                              |
| MK           | F.Y.R. of Macedonia | 50,00      | 160,00                              |
| MT           | Malta               | 90,00      | 115,00                              |
| NL           | The Netherlands     | 93,00      | 170,00                              |
| PL           | Poland              | 72,00      | 145,00                              |
| PT           | Portugal            | 84,00      | 120,00                              |
| RO           | Romania             | 60,00      | 170,00                              |
| SE           | Sweden              | 97,00      | 160,00                              |
| SI           | Slovenia            | 70,00      | 110,00                              |
| SK           | Slovakia            | 80,00      | 125,00                              |
| TR           | Turkey              | 55,00      | 165,00                              |
| UK           | United Kingdom      | 101,00     | 175,00                              |

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 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>21</sup>

<sup>21</sup> Art. 120FR, 184 IR.

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>22</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>23</sup>.

### **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>24</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

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<sup>22</sup> The terms related to liability, conflict of interests, confidentiality, publicity, evaluation, assignment and checks and audits.

<sup>23</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.

<sup>24</sup> Art. 172 IR.

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.

#### *1.1.3. 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.

#### *1.1.4. 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>25</sup>
- excessive or reckless expenditure;
- costs declared by the beneficiary and covered by another action or work programme receiving a Community grant.

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<sup>25</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).

## 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.

## 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.

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>26</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.

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<sup>26</sup> Art. 109(2) FR.

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.

## **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.

## **PAYMENT PROCEDURES**

The payment arrangements will be laid down in the grant agreement.

Generally, 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>27</sup>.
- The balance will be paid upon acceptance by the Commission of the final technical implementation report and final financial statement.

## **GUARANTEE<sup>28</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 Euro 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.

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<sup>27</sup> Art. 180(1) IR.

<sup>28</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).

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.

## **BANK ACCOUNT AND INTEREST GENERATED BY PRE-FINANCING PAYMENTS<sup>29</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.

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

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:

- 1) How was the project performed? Was it performed in accordance with the description of the action annexed to the grant agreement? (Describe the project, its results and methodology, planned activities, timetable, partners, participants, etc.).
- 2) To what extent did the project meet the objectives set?
- 3) What was the European added value of the implementation of the action?

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<sup>29</sup> Art. 5(a) FR, Art. 3, 4, 4(a) IR.

- 4) How was the project presented to the public and how were the results disseminated?
- 5) What lessons have been learned from this experience?
- 6) Describe the results of the evaluation (internal/external) of the implementation of the action.

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.

## 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>30</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.

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<sup>30</sup> Art. 110(2) FR, 169(2) IR.

## 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.

## CHECKS AND AUDITS

An external audit report is required in the following cases:

### **Audit report in support of grant applications<sup>31</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.

### **Audit report in support of requests for payment<sup>32</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.

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<sup>31</sup> Art. 173(4) IR.

<sup>32</sup> Art. 180(2) IR.

## 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, request for payments and request for modifications on the budget estimate. SWIM can be accessed in the following web address<sup>33</sup>: <https://webgate.ec.europa.eu/swim>.

### 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 finalised 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.

### 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 allow 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.

## 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>34</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>33</sup> For more technical details on SWIM utilisation, a user's manual is available on line.

<sup>34</sup> Official Journal L 8, 12.1.2001.