



EUROPEAN COMMISSION  
DIRECTORATE-GENERAL FOR EDUCATION, YOUTH, SPORT AND CULTURE

Culture and creativity  
Cultural Policy

## CALL FOR PROPOSALS EAC/S11/2018

### Pilot project for Cultural and Creative Industries

*Finance, Learning, Innovation and Patenting for Cultural and Creative Industries (FLIP for CCIs)*

#### 1. INTRODUCTION – BACKGROUND

Culture, the arts, creativity and creative industries are inter-connected and inter-dependent. Combining knowledge and skills specific to cultural and creative sectors with those of other sectors helps generate innovative solutions to societal challenges. To really tap into the transformative power of culture, a holistic approach is required, focussing on ecosystems where culture and creativity exist and support each other, and to ensure the flow of knowledge and skills from the CCIs to more traditional industries.

Cultural diversity and identification of the proper cultural mix are of strategic importance for creativity and innovation. The cultural and creative industries (CCIs) in Europe employ more than 12 million workers, or 7.5% of the European workforce. As a result, they create about EUR 509 billion in added value, in particular through the contribution made by small and micro enterprises. CCIs represent a driving force generating a competitive advantage for Europe, especially since they provide products and services that promote evolution of the production paradigms of Industry 4.0.

The **crossover** between the cultural and creative sectors and other sectors is of crucial importance to achieve this. As specified by the 2015 Council conclusion, they are "a process of combining knowledge and skills specific to the cultural and creative sector together with those of other sectors in order to generate innovative and intelligent solutions for today's societal challenges".

The importance of Cultural and Creative Industries has been acknowledged in different policy documents as well as by the European Parliament Resolution on a coherent EU policy for cultural and creative industries of December 2016. The Parliament Resolution on **CCIs** stresses the importance of cultural and creative industries (CCIs) in the economy and job creation, in promoting and preserving cultural diversity, strengthening social cohesion and increasing Europe's attractiveness internationally. CCIs play a key

role in reindustrialising Europe and trigger innovation spill-overs in many other sectors, from manufacturing to education or social inclusion.

Also in the recent European Parliament resolution of 14 September 2017 on a **new skills agenda for Europe** (2017/2002(INI)), cultural and creative industries are explicitly mentioned as contributing to social well-being, innovation, employment and as stimulating the EU's economic development. The resolution also recalls that the creative industries are among the most entrepreneurial and fast growing sectors, and creative education develops transferable skills such as creative thinking, problem-solving, teamwork, and resourcefulness. It acknowledges that arts and media sectors are of particular appeal to young people and points out that entrepreneurship requires the development of transversal skills such as creativity, critical thinking, teamwork and a sense of initiative, which contribute to young people's personal and professional development and facilitate their transition into the job market. It furthermore believes that there is a need to facilitate and encourage participation by entrepreneurs in the educational process. It draws attention to the fact that in today's society, ensuring basic digital skills is an essential prerequisite for personal and professional fulfilment, but is of the opinion that further efforts are needed in equipping people with more specific digital competences in order to be able to use digital technologies in an innovative and creative way and reiterates that the set of digital skills must include digital and media literacy, as well as critical and creative thinking, in order for learners to become not only users of technologies but active creators, innovators and responsible citizens in a digitised world.

The 2018 **OMC Report** on *"the role of public policies in developing entrepreneurial and innovation potential of the cultural and creative sectors"* is also relevant in this context. This cross-sectoral group consisting of the Ministries of Economics and the Ministries of Culture of Member States also highlighted the importance of CCI's skills development and related issues: It states that there is a strong need for a greater openness towards a broad and more inclusive meaning of innovation – beyond its technological aspects - which highlight the role of culture and creativity in its process. This would also empower professionals in the cultural and creative sectors with the necessary mix of required skills, provided through specifically designed capacity building programmes.

The **2018 Annual Work Programme**<sup>1</sup> for the implementation of the Pilot Project<sup>2</sup> "Finance, Learning, Innovation and Patenting for Cultural and Creative Industries (FLIP for CCI's)" foresees the launch of a call for proposals funded under Budget Line 15 04 77 19, with EUR 1 million allocated to the development of an action addressing this specific objective.

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<sup>1</sup> [https://myintracomm.ec.europa.eu/dg/eac/budget-and-finance/budget/work-programmes/Documents/1-WP/2018/WP-Intranet/C\\_2018\\_1602\\_WP2018-PP-PA.pdf](https://myintracomm.ec.europa.eu/dg/eac/budget-and-finance/budget/work-programmes/Documents/1-WP/2018/WP-Intranet/C_2018_1602_WP2018-PP-PA.pdf)

<sup>2</sup> Legal basis: Pilot project within the meaning of Article 54(2)(a) of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

## **2. OBJECTIVES – ACTIVITIES – RESULTS**

### **2.1. OBJECTIVES**

General objective

The general objective of this pilot project is to define and test policies and actions for sustaining and developing cultural and creative industries and to generating cross-sectoral benefits and spill-overs in the different areas and sectors CCI interface with.

The pilot project should cover in particular the following aspects concerning CCI: Finance, Learning, Innovation and Patenting (FLIP):

- Finance,
- Learning,
- Innovation and
- Patenting.

The specific objectives of this call for proposals are listed and described in point 2.4 below.

### **2.2. PROJECT**

The grant agreement resulting from this call for proposals will be allocated to one single project.

The purpose of this call is to select an organisation that will co-ordinate and organise different activities with cultural and creative professionals and entrepreneurs, in particular SMEs and micro-enterprises, as well as other stakeholders.

### **2.3. BENEFICIARIES**

Proposals should contain information as to the planned beneficiaries of the action, which must be cultural and creative professionals and entrepreneurs as well as other stakeholders active in the cultural and creative sectors<sup>3</sup>.

Applicants should describe how they plan to engage with the relevant actors and describe how they will mitigate the risk of lack of incentives for relevant actors, CCI and other stakeholders to engage.

### **2.4. SPECIFIC OBJECTIVES**

Proposals should as a minimum include the following activities related to **Finance, Learning, Innovation and Patenting (FLIP)**.

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<sup>3</sup> According to the definition given in Article 2 of the Creative Europe Programme, <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32013R1295&from=EN>

Proposals should also specify how they are going to achieve an optimal **geographical balance and coverage**.

#### **2.4.1. Specific objective n°1 in field of Finance: Elaboration of guidelines, follow-up of EU CCI actions**

Access to finance is a major challenge for CCIs. For obtaining bank loans, unlike companies operating in the technological sectors, CCIs find it hard to obtain recognition of the value of their intangible assets on their balance sheets, and their investments in the development of new talent and creative ideas are not reflected in the traditional R&D framework.

In order to increase CCIs access to lending, applicants should describe how the pilot project will go about **defining guidelines** to improve CCIs' capability to better communicate financial values associated with intangible assets and formulate recommendations. The guidelines will take into account the work already undertaken by the capacity-building facility of the **Creative Europe Guarantee Facility**<sup>4</sup>, working closely to best complement the efforts already undertaken.

Innovative ways for access to finance for CCIs are also very relevant here, for example **crowd-funding**, which, in addition to funding, can also help to find new audiences, interact with the creative's fan-base and help to promote the cultural/creative product or project which is being crowd-funded. Applicants may usefully consult the results of the project "Crowdfunding4Culture".

The guidelines should also look at **existing instruments** in European Countries (e.g. Bancopass in Italy), which are already being used by CCIs in their bank loan requests. Synergies with other existing CCI bank guarantee systems should also be explored (in addition to the Creative Europe Guarantee Facility, also EFSI and other financing mechanisms open to CCIs).

Particular consideration should be given to the design and development of tools and solutions, shared with stakeholders in the finance sector that could facilitate access to funding/finance for CCIs (especially for SMEs and micro-enterprises).

A good reference document is the 2016 **OMC-report** "Innovative instruments to facilitate **access to finance** for the cultural and creative sectors"<sup>5</sup>, EU Members States' experts tackled the issue of access to finance for CCIs and elaborated good practice examples and recommendations. The present project should organise a stakeholders' conference around access to finance for CCIs and prepare a short report with innovative financing instruments for CCIs since the publication of the OMC-report as well as good practice examples.

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<sup>4</sup> See also the ToR for the Capacity-building scheme of the Guarantee Fund available at [http://www.eif.org/who\\_we\\_are/governance/procurement/call14.htm](http://www.eif.org/who_we_are/governance/procurement/call14.htm)

<sup>5</sup> <https://publications.europa.eu/en/publication-detail/-/publication/f433d9df-deaf-11e5-8fea-01aa75ed71a1>

#### 2.4.2. Specific objective n°2 in field of Learning: Support skills classification system, development of guidelines for CCI skills development, activities and dissemination

There is a clear link between levels of education and participation in culture. Cultural Awareness and Expression is one of 8 key competences for lifelong learning recognized at European level<sup>6</sup>. There is also consensus on the need for transferable competences and skills which stimulate creativity and critical thinking. The Commission has supported OECD work on how to teach, learn and assess creative and critical thinking<sup>7</sup>, which is now the innovative domain for PISA 2021 (the Programme for International Student Assessment). This focus on creative and critical thinking should be extended to all levels of education, shifting from the STEM (Science, Technology, Engineering and Mathematics) model to STEAM, including the Arts.

In terms of skills development, applicants should describe the proposed actions and how they will **develop models to analyse the needs of CCIs**, with a view to design tailor-made training paths aimed at overcoming the skills' gap detected. Applicants should consider three areas of expertise: technical-professional skills, management skills, and soft skills related to CCIs. This may build on already existing work such as the EU-funded projects TALQ (Transparency in art levels and qualifications)<sup>8</sup> and CREASSESS (Assessing creative and critical thinking skills at school) with the OECD<sup>9</sup> or the OECD's pilot project 2018-19 "Fostering and assessing students' creative and critical thinking skills in higher education", complementing critical thinking as the innovative domain in PISA 2021, as well as studies at country-level or other initiatives at EU-level<sup>10</sup> or the Arts and Entrepreneurship Hubs<sup>11</sup>, the *EU Master Module in Arts and Science*<sup>12</sup> to foster cross-sectorial curricula and policy innovation combining technology and the arts, funded under Creative Europe's cross sectoral strand WP 2017.

Concerning skills classification, ESCO is a multilingual classification system for European skills, competences, qualifications and occupations.<sup>13</sup> Applicants should check the compatibility of the ESCO classification framework to analyse skills for CCIs, in particular concerning ESCO occupation and skills profiles linked to CCIs and how the pilot project could enhance or integrate these profiles and the classification in general.

Applicants should make a recommendation on the introduction of cultural and creative skills, including transferable skills as part of European forecast tools to develop a

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<sup>6</sup> 2016 OMC handbook sets out practices and recommendations.

<sup>7</sup> OECD Centre for Educational Research and Innovation

<sup>8</sup> <https://talqproject.org/>

<sup>9</sup> <http://www.oecd.org/education/cei/assessingprogressionincreativeandcriticalthinkingskillsineducation.htm>;  
(<http://www.oecd.org/education/cei/innovation-strategy-for-education-and-training-call-for-participation.htm>),

<sup>10</sup> Such as <https://ccskills.org.uk/what-we-do>); <http://www.creativeskillseurope.eu/>, or the ERASMUS-funded <http://arts-project.eu/>.

<sup>11</sup> <https://www.artshumanitieshub.eu/>

<sup>12</sup> <https://ec.europa.eu/digital-single-market/en/news/call-proposals-modules-master-degrees-arts-and-science>

<sup>13</sup> <https://ec.europa.eu/esco/portal/home>

comprehensive, consistent and detailed view of future skills needs and vacancies across the EU. Concrete steps should be defined to promote awareness of the importance of transferable skills among all stakeholders, including public institutions, civil society and private business, which should increase their support to the acquisition and valuation of transferable skills in all HR processes – from recruitment and employee training to performance assessments.

Applicants should also describe how the models referred to above can be put into **practice** and include also some hands-on activities. Applicants should also describe how they intend to **consult and disseminate** findings, including the organisation of relevant workshops.

### **2.4.3. Specific objective n°3 in field of Innovation: Guidelines for CCIs development, good practice cases and showcase events on innovative models, peer-to-peer hubs exchange**

Applicants should develop guidelines for cultural and creative skills' development, which should inscribe themselves into the specific nature of the national and regional education systems from primary training to tertiary education, as well as non-formal education and retraining, including programmes targeted at social inclusion and unemployment. This should help to promote skill-based learning, favouring a holistic and multi-disciplinary approach. Applicants should give an indication of what types of structural reform of our education systems are needed to improve learning and skills formation of transferrable skills in educational and working environment.

In addition to the guidelines for cultural and creative skills development described above, applicants should describe how they will identify and collect **good practice cases** and incentives targeted at improving the capability of the traditional education system to work together with CCIs and organise showcase events and promote innovative training models through **learning laboratories and creative hubs**. Applicants should describe in detail how they intend to link and work with existing structures such as the European network of Creative hubs in order to prototype and test some solutions in practice.

Applicants should also describe how they will test solutions in practice through a **peer-to-peer exchange programme** involving creative hubs, workshops they intend to organise etc.). For this particular peer-to-peer exchange activity with creative hubs, applicants should also describe in detail partners and geographical scope of this specific action, given that a peer-to-peer exchange offers interesting innovation learning opportunities also involving creative hubs in non-EU countries such as ENP-South and ENP-East countries (*see 6.2. Eligible activities and scope*).

Applicants should also describe how they could **link to existing relevant EU-projects**, in particular the following projects funded under Creative Europe such as

the European Network of Creative Hubs<sup>14</sup>, Cultural and Creative Spaces and Cities<sup>15</sup>, the ICCI-project on internationalisation of CCIs<sup>16</sup>, Future Divercities<sup>17</sup> and Creative Lenses<sup>18</sup> and the H2020 funded projects on Inclusive and sustainable growth through cultural and creative industries and the arts<sup>19</sup>. They should also link to EU innovation communities or build their own community of practice (see f.ex. the OECD's international community of practice around teaching, learning and assessing creativity and critical thinking in higher education)<sup>20</sup>, the KICS on Education for Creativity, Innovation, and Entrepreneurship<sup>21</sup>, EIT-KICS<sup>22</sup>, EIT Innovation Labs, Living Labs, JRC Policy Labs, Creative Hubs Network, Open Innovation Communities, Pan-European network of Digital Innovation Hubs and the like.

#### **2.4.4. Specific objective n°4 in field of Patenting: Analysis, case studies and recommendations**

Due to organisational limits of CCIs and the high costs of registering international patents, CCIs are very often not the financial beneficiaries of their own innovations.

Applicants should describe how they plan to carry out an **analysis** of obstacles and practice of CCIs in terms of patenting, illustrated by concrete **case-studies** and will come up with **recommendations**.

### **2.5. EXPECTED RESULTS**

The expected results of the proposal are:

- Enhanced skills concerning access to finance for CCIs
- Recommendations on enhanced value recognition and defending intellectual property of CCIs, and on improved recognition of intangibles for CCI loans
- Enhanced cultural and creative education, skills and readiness for the job market
- Strengthened trans-national and cross-sectoral cooperation within the cultural and creative sectors and other stakeholders
- Guidelines and analyses concerning finance, learning, innovation and patenting for CCIs
- Enhanced learning, skills development, exchanges of experience and cooperation opportunities
- Best practice examples

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<sup>14</sup> <https://www.creativehubs.eu/>

<sup>15</sup> [https://ec.europa.eu/culture/calls/2017-s23\\_en](https://ec.europa.eu/culture/calls/2017-s23_en)

<sup>16</sup> <https://www.icciproject.com/>

<sup>17</sup> <http://futuredivercities.eu/> ,

<sup>18</sup> <https://creativelenses.eu/>

<sup>19</sup> TRANSFORMATIONS-06-2018 on page 24 of [https://ec.europa.eu/programmes/horizon2020/sites/horizon2020/files/draft\\_h2020-sc6-2018-2020.pdf](https://ec.europa.eu/programmes/horizon2020/sites/horizon2020/files/draft_h2020-sc6-2018-2020.pdf)

<sup>20</sup> <http://www.oecd.org/education/cei/Fostering-and-assessing-students-creative-and-critical-thinking-skills-in-higher-education.pdf>

<sup>21</sup> <https://eit.europa.eu/activities/education>

<sup>22</sup> <https://eit.europa.eu/eit-strategy-2021-2027>

- Recommendations for further policy making (incl. funding) concerning Finance, Learning, Innovation and Patenting of CCIs.

The proposal should explain how the expected results will be achieved through the following expected outputs:

## 2.6. EXPECTED OUTPUTS

### 2.6.1 Concept paper

At the beginning of the project, a concept paper concerning the planned activities should be provided.

### 2.6.2. Organisation of **thematic conferences and workshops, networking meetings, skills development** actions, **peer-to-peer exchanges** and **study-visits**

In order to **implement the specific objectives 1-4 on Finance, Learning Innovation and Patenting (FLIP)**, applicants should describe how they will help to put in place thematic conferences and workshops, networking meetings, skills development actions, peer-to-peer exchanges (in particular the one mentioned under Specific objective n° 3 involving creative hubs) and study-visits and make a proposal concerning their number, timing, tentative places, resources needed and other relevant information.

Applicants should describe the organisation of a **stakeholders' conference** around access to finance for CCIs mentioned under *Specific objective n° 1, Finance*. Such stakeholders would include, among others, CCI professionals as well as relevant actors that contributed to the OMC-report, ideally with high-level presence at the EU-level.

### 2.6.3. Organisation of a **launching and a closing conference in Brussels**

Proposals would need to contain information on the following points:

- Organisation of a **launching conference** at the beginning of the project in Brussels of up to 150-200 participants from the creative and cultural community, the different relevant networks and projects, policy-makers, as well as the press and other participants. This conference should aim at, inter alia, discussing the needs of and gathering suggestions from the participants. Press coverage of the event as well as using appropriate innovative communication channels and innovative conference methods will be crucial for the success and visibility of the event.
- A **closing conference** in Brussels of up to 150-200 participants should take place towards the end of the project. The event should give maximum visibility to the project and to the participating cultural and creative networks and their community in order to present their activities, project results and



study reports. The conference should also provide cultural and creative sectors networking opportunities, including through interaction between the participants.

For both conferences, the active involvement of the European Parliament (EP) as well as other relevant institutions (Commission, business organisations, cultural and creative sectors and networks etc.) should actively be strived for. The participation of representatives from a maximum number of countries should be sought, in order to achieve a sufficient degree of geographical balance. The Commission will give its approval on the event details, including location, programme, list of speakers and invitees before final arrangements are made.

#### **2.6.4. Enhancing web and social media presence**

The proposal should explain in detail how the project will garner visibility through enhanced online presence, for example on the website(s) and social media account(s) and page(s) (Twitter, Facebook, LinkedIn, etc.) of the applicant, the partner(s) and the EU institutions. In addition, the proposal will also explain how the project's website will showcase interesting relevant resources elaborated by other relevant EU-projects funded under Creative Europe, Cosme, H2020, Erasmus and other.

The website or section(s) of the website(s) dedicate to the project should also include, inter alia, useful links to EU funding for cultural and creative sectors and its relevant national/local contact points as well as national and other relevant funding opportunities and contacts for the cultural and creative sector.

The applicant should describe what actions will be undertaken to maintain and update over time, after the end of the project, the web and social media presence, always with a view to enhance the core aspects of the project.

#### **2.6.5. Final outputs and final study** (including best practice catalogues/papers/MOOCs<sup>23</sup> and other visual material/, lessons to be learnt, recommendations)

Proposals should contain information on the final outputs of the project, i.e.:

- Guidelines for CCI financing and EU CCI-follow up actions
- Support skills classification system, Guidelines for CCI skills development, activities and dissemination
- Good practice cases and showcase events on innovative models
- Patenting: Analysis, case studies and recommendations

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<sup>23</sup> MOOC means "Massive Open Online Courses", but it's only a suggestion, there can be other, more appropriate ways of dissemination

In addition, proposals should also contain information about the content of the final study. The final study is in addition to the administrative operational reports, and will be shared in advance and discussed with participants during the final conference.

As a minimum, this report should contain:

- Lessons learnt concerning challenges and needs
- A report on the main points of learning on Finance, Learning, Innovation and Finance for CCIs as covered by the different project activities
- A short report on the update of innovative financing instruments for CCIs with best practice cases
- Conclusions, executive summary and recommendations, in particular with view to future policy making and project funding in the field of innovative business models and CCIs in general.

### **3. TIMETABLES**

Scheduled start-up date for the action is planned to be as soon as possible upon signature of grant agreement but no later than 1 March 2019. The intention is to inform applicants of the outcome of the award procedure no later than the month of November 2018.

The duration of the project shall be 28 months.

The period of eligibility of costs will start on the day the grant agreement is signed by the last party.

The Procedural timeline for the call for proposals is:

<i>Stages</i>	<i>Date and time or indicative period</i>
Publication of the call	May 2018
Deadline for submitting applications	10 August 2018
Evaluation period	August - October 2018
Information to applicants	November 2018
Signature of grant agreement	December 2018
Starting date of the action	February/March 2019
Kick-off meeting with the Commission	March 2019
End date of the action	Starting date + max 28 months

The project timeline for the deliverables and payments is:

<b>Start of the project</b> <i>Pre-financing payment (20% of total grant amount)</i>	<b>T+1</b> ( <i>approx. March 2019</i> )
<b>Concept paper on FLIPs</b> (Finance, Learning, Innovation and Patenting) and project-related activities	T+2
Development of <b>web</b> and <b>social media</b> presence for the project	T+ 2
Organisation of a <b>launching conference</b> in Brussels	T+ 2 until T+3
Organisation of 1 <sup>st</sup> round of <b>peer-to-peer hubs exchange</b> programmes	T+ 4 until T+7
<b>Technical report on progress</b> <i>2<sup>nd</sup> Pre-financing payment (20% of total grant amount)</i>	<b>T+7</b> ( <i>approx. Sept. 2019</i> )
Organisation of <b>networking meetings, thematic workshops, skills development actions and study-visits</b>	T+4 until T+25
Organisation further rounds of <b>peer-to-peer hubs exchange</b> programmes	T+ 9 until T+25
Stakeholder meeting on OMC Access to Finance and report on update of innovative financing instruments and good practice cases	T+ 11 until T+13
<b>Interim technical report</b> <i>Interim payment (max. 30% of total grant amount)</i>	<b>T+14</b> ( <i>approx April 2020</i> )
<b>Guidelines for CCI financing and EU CCI-follow up actions</b>	T+18 until T+22
<b>Support skills classification system, Guidelines for CCI skills development, activities and dissemination</b>	T+18 until T+22
<b>Good practice cases and showcase events on innovative models</b>	T+18 until T+26
<b>Patenting: Analysis, case studies and recommendations</b>	T+24 until T+26
<b>Final study</b> (including best practices, conclusions and recommendations)	T+26
Organisation of a <b>closing conference</b> in Brussels	<b>T+27</b> ( <i>approx. March. 2021</i> )
<b>Final technical report</b> <i>Payment of the balance</i>	<b>T+28</b> ( <i>approx. April 2021</i> )

#### 4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of this project is estimated at **1,000,000 EUR**.

The call budget will be allocated to **one single project**.

The support of a project for cultural and creative industries shall be at the center of this action.

The financial contribution from the Commission cannot exceed **80%** of the total eligible costs<sup>24</sup>.

EU support will be granted on condition that the administrative and financial procedures are properly completed.

The amounts mentioned in the present document are subject to the release of the necessary appropriations by the budgetary authority.

The European Commission reserves the right not to distribute all the funds available.

## **5. ADMISSIBILITY REQUIREMENTS**

- Applications must be sent no later than the deadline for submitting applications referred to by the procedural timeline for the call for proposals in section 3.
- Applications must be submitted in writing (see section 14), using the application form available at [https://ec.europa.eu/programmes/creative-europe/calls\\_en](https://ec.europa.eu/programmes/creative-europe/calls_en)<sup>25</sup>.

Failure to comply with those requirements will lead to the rejection of the application.

## **6. ELIGIBILITY CRITERIA<sup>26</sup>**

### **6.1. Eligible applicants**

To be eligible applicants must:

- be a public<sup>27</sup> or private organisation with legal personality (natural persons are not eligible to apply for a grant under this call);
- be a single entity involved in strategic support - related to the core aspects of the project - to CCI, particularly SMEs and micro-enterprises, active in the cultural and creative sectors, or a consortium of which most of its members should be active in the cultural and creative sectors<sup>28</sup>
- have their registered legal office in one of the beneficiary European countries under the Creative Europe programme.

Only applications from legal entities established in the countries participating in the Creative Europe programmes are eligible:

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<sup>24</sup> Article 183 of the Commission Delegated Regulation (EU) No. 1268/2012 on the rules of application of Regulation (EU, Euratom) Nr. 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union

<sup>25</sup> Article 131 FR.

<sup>26</sup> Article 131 FR, 201 RAP

<sup>27</sup>In the context of these specifications a public body is considered as any body, any part of whose costs are financed from the State budget as of right, either by central, regional or local government. That is, these costs are financed from public sector funds raised through taxation or fines or fees regulated by law, without going through an application process which might result in their being unsuccessful in obtaining funds. Organisations that depend on state funding for their existence and receive grants year after year, but for which there exist at least the theoretical possibility that they may fail to receive money one year are considered by the Commission as private bodies.

<sup>28</sup> According to the definition given in Article 2 of the Creative Europe Programme, <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32013R1295&from=EN>

- EU Member States;
- Eligible non-EU third countries: Participants to the Creative Europe Programme<sup>29</sup>: Iceland, Norway, Albania, Bosnia and Herzegovina, Former Yugoslav Republic of Macedonia, Montenegro, Republic of Serbia, Georgia, Moldova, Ukraine and Tunisia. Soon also Armenia and Kosovo (subject to the finalisation of ratification procedures).

In case the application is submitted by several entities working together (consortium), the above criteria apply to each one of those entities.

For **British** applicants:

Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis of Article II.17 of the grant agreement.

Proposals from applicants in candidate or associated countries may be selected provided that, on the date of award, agreements have entered into force setting out the arrangements for the participation of those countries in the programme.

In case of a consortium, the several entities working together shall take the form of a partnership of co-beneficiaries, and designate a leading partner who is the co-ordinator. The co-ordinator will act as an intermediary for all communications between the Commission and the co-beneficiaries. However, beneficiaries are jointly responsible for implementing the action resulting from the grant awarded. To implement the action properly, they must make appropriate internal arrangements, consistent with the terms of the Grant Agreement.

In order to assess the applicants' eligibility, the following supporting documents are requested:

Examples of supporting documents:

- **private entity**: extract from the official journal, copy of articles of association, extract of trade or association register, certificate of liability to VAT (if, as in certain countries, the trade register number and VAT number are identical, only one of these documents is required);
- **public entity**: copy of the resolution, decision or other official document establishing the public-law entity ;

## 6.2. Eligible activities and scope

The types of **activities** eligible under this call for proposals could be:

- workshops, seminars, study-visits, meetings
- exchange programmes, peer learning

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<sup>29</sup> [https://eacea.ec.europa.eu/sites/eacea-site/files/21082017-eligible-countries\\_en.pdf](https://eacea.ec.europa.eu/sites/eacea-site/files/21082017-eligible-countries_en.pdf)

- training and skills development activities
- development of communication activities
- actions aiming at exchanges of good practices, development of guidelines, recommendations, manuals, reports

Concerning the **geographical scope** of activities carried out under this call, in addition to the countries specified under 6.1. (EU and Creative Europe countries), activities involving also beneficiaries from European Neighbourhood Policy (ENP)-countries<sup>30</sup> are eligible.

### **6.3. Implementation period**

The action shall run for 28 months. As mentioned in the timetable, it is expected that the action starts in the 1st semester of 2019.

## **7. EXCLUSION CRITERIA**

### **7.1. Exclusion**

The authorising officer shall exclude an applicant from participating in call for proposals procedures where:

(a) the applicant is bankrupt, subject to insolvency or winding-up procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its business activities are suspended, or where it is in any analogous situation arising from a similar procedure provided for under national laws or regulations;

(b) it has been established by a final judgment or a final administrative decision that the applicant is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the authorising officer is located or those of the country of the performance of the contract;

(c) it has been established by a final judgment or a final administrative decision that the applicant is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:

- (i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract, a grant agreement or a grant decision;

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<sup>30</sup> [https://eeas.europa.eu/headquarters/headquarters-homepage/330/european-neighbourhood-policy-enp\\_en](https://eeas.europa.eu/headquarters/headquarters-homepage/330/european-neighbourhood-policy-enp_en)

- (ii) entering into agreement with other applicants with the aim of distorting competition;
  - (iii) violating intellectual property rights;
  - (iv) attempting to influence the decision-making process of the Commission during the award procedure;
  - (v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;
- (d) it has been established by a final judgment that the applicant is guilty of any of the following:
- (i) fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;
  - (ii) corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the law of the country where the contracting authority is located, the country in which the applicant is established or the country of the performance of the contract;
  - (iii) participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA;
  - (iv) money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council;
  - (v) terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;
  - (vi) child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;
- (e) the applicant has shown significant deficiencies in complying with main obligations in the performance of a contract, a grant agreement or a grant decision financed by the Union's budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;
- (f) it has been established by a final judgment or final administrative decision that the applicant has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95.
- (g) for the situations of grave professional misconduct, fraud, corruption, other criminal offences, significant deficiencies in the performance of the contract or irregularity, the applicant is subject to:
- (i) facts established in the context of audits or investigations carried out by the Court of Auditors, OLAF or internal audit, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;

- (ii) non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;
- (iii) decisions of the ECB, the EIB, the European Investment Fund or international organisations;
- (iv) decisions of the Commission relating to the infringement of the Union's competition rules or of a national competent authority relating to the infringement of Union or national competition law.
- (v) decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

## **7.2. Remedial measures**

If an applicant declares one of the situations of exclusion listed above (see section 7.4), it should indicate the measures it has taken to remedy the exclusion situation, thus demonstrating its reliability. This may include e.g. technical, organisational and personnel measures to prevent further occurrence, compensation of damage or payment of fines. The relevant documentary evidence which illustrates the remedial measures taken must be provided in annex to the declaration. This does not apply for situations referred in point (d) of section 7.1.

## **7.3. Rejection from the call for proposals**

The authorising officer shall not award a grant to an applicant who:

- a. is in an exclusion situation established in accordance with section 7.1<sup>31</sup>;
- b. has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information;
- c. was previously involved in the preparation of calls for proposal documents where this entails a distortion of competition that cannot be remedied otherwise.

Administrative and financial penalties may be imposed on applicants who are guilty of misrepresentation.

## **7.4. Supporting documents<sup>32</sup>**

Applicants must provide a declaration on their honour certifying that they are not in one of the situations referred to in articles 106(1) and 107 FR, by filling in the relevant form attached to the application form accompanying the call for proposals and available at [https://ec.europa.eu/programmes/creative-europe/calls\\_en](https://ec.europa.eu/programmes/creative-europe/calls_en)

This obligation may be fulfilled in one of the following ways:

the applicant and in case of a consortium each member signs a separate declaration in their own name.

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<sup>31</sup> Article 106 FR

<sup>32</sup> Article 197 RAP



## 8. SELECTION CRITERIA<sup>33</sup>

### 8.1. Financial capacity<sup>34</sup>

The financial capacity will be assessed based on the following methodology and its annexes: [https://ec.europa.eu/info/sites/info/files/methodology-grants-eac\\_en.pdf](https://ec.europa.eu/info/sites/info/files/methodology-grants-eac_en.pdf)

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the duration of the grant and to participate in its funding. The applicants' financial capacity will be assessed on the basis of the following supporting documents to be submitted with the application:

Since for the current grant the pre-financing value will be less than EUR 600 000, proof of financial capacity is constituted by a declaration on the honour by the grant applicant (see Annex "Grant Application form").

However, in case of doubt, the assessment committee reserves the right to request supporting documents and to carry out a financial analysis as described at point 4 of the above mentioned methodology (cf. Article 131(3) of the FR).

Moreover, entities falling into one of the high-risk categories mentioned at point 3.1 of the methodology must provide proof of their financial capacity and are required to undergo the financial analysis provided for in point 4 of the same methodology.

In addition, **an audit report** produced by an approved external auditor certifying the accounts shall be provided for the last financial year available. In the event of an application grouping several applicants (consortium), the thresholds apply to each applicant.

In the case of legal entities forming a consortium, as specified in section 6.1, the above requirements apply to each one of those entities.

On the basis of the documents submitted, if the authorising officer considers the financial capacity to be weak, s/he may:

- request further information;
- decide not to give pre-financing;
- decide to give pre-financing paid in instalments;
- decide to give pre-financing covered by a bank guarantee (see section 11.4 below);
- where applicable, require the joint and several financial liability of all the co-beneficiaries;

If the authorising officer considers the financial capacity to be insufficient, s/he will reject the application

### 8.2. Operational capacity<sup>35</sup>

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action.

In particular, they should possess the following capacities:

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<sup>33</sup> Article 132 FR, 202 RAP

<sup>34</sup> Article 131, 132 FR, 202 RAP.

<sup>35</sup> Article 131 FR, 202 RAP.

- proven experience in the cultural and creative sectors
- good understanding of creative sectors' specificities and needs, as well as expertise of the topics covered by the call specifications
- At least one key expert with a minimum of 2 years of professional experience in the cultural and creative sector. Experience with cultural and creative sectors can be proven through the profiles (CVs) of the proposed team.
- ability to communicate easily in several languages of the different countries and regions participating in the Creative Europe programme.
- proven experience of at least 1 year in transnational projects involving various eligible countries<sup>36</sup>

Applicants have to submit a declaration on their honour, and the following supporting documents:

- curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the operation (accompanied where appropriate by a list of relevant publications);
- an exhaustive lists of previous projects and activities performed and connected to the policy field of a given call or to the actions to be carried out;

In the case of legal entities forming a consortium, as specified in section 6.1, the above requirements apply to the consortium as a whole.

## **9. AWARD CRITERIA<sup>37</sup>**

Eligible applications/projects will be assessed on the basis of the following criteria:

### **9.1. Relevance (0-40 points)**

This criterion will assess the relevance of the proposal, in particular the extent to which the proposal addresses the general and specific objectives of the action and contributes to attain its expected outputs and results.

### **9.2. Geographical and sectors outreach (0-30 points)**

This criterion will assess the extent to which the proposed action is able to achieve an optimal sectorial<sup>38</sup> balance and coverage across eligible countries<sup>39</sup>.

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<sup>36</sup> See 6.1 – eligible applicants

<sup>37</sup> Article 132 FR, 203 RAP

<sup>38</sup> According to the definition given in Article 2 of the Creative Europe Programme, <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32013R1295&from=EN>

<sup>39</sup> See 6.1. and 6.2.

### 9.3. Quality of activities (0-15 points)

This criterion will assess the quality of the activities proposed, methodology to achieve the objectives, the quality of policy learning activities and sustainability.

In addition, proposals should also contain information about the following:

- **Promotion and visibility of the project:** Proposals need to contain detailed information on the actions that are intended to be undertaken to ensure effective marketing and promotion of the action and its networks. Proposals should mention which communication channels will be used and what kind of cooperation is envisaged with existing stakeholders and networks, in particular also the local EU funding contact points for the Creative Europe programme, COSME, Horizon 2020, the Regional Development Funds etc. and ensure visibility of the EU's support to the project.
- **Sustainability:** Applicants should describe in detail how sustainability could be ensured after the end of the project.

### 9.4. Management of the project (0-15 points)

This criterion will assess the quality of the proposal regarding the capability to organize, coordinate and implement the various aspects of the proposed activities.

This criterion will also assess the appropriateness of the human resources allocation and the relevance of the experience of the staff involved in the tasks assigned to them. This criterion will also assess the relevance and allocation of the budget with regard to the planned activities/ expected output.

**The Commission will assess on that basis how the applicants seek to address the priorities set for this project. Points will be allocated to eligible applications out of a total of 100 on the basis of the above-specified weighting. A minimum threshold of 60% of the maximum possible will be applied for the qualitative evaluation and applications below this threshold will be rejected.**

## 10. LEGAL COMMITMENTS<sup>40</sup>

In the event of a grant awarded by the Commission, a grant agreement, drawn up in euro and detailing the conditions and level of funding, will be sent to the applicant, as well as the information on the procedure to formalise the agreement of the parties.

The 2 copies of the original agreement must be signed first by the beneficiary on behalf of the consortium if applicable and returned to the Commission immediately. The Commission will sign it last.<sup>41</sup>

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<sup>40</sup> Article 121 FR, 174 RAP.

## 11. FINANCIAL PROVISIONS

### 11.1. Eligible costs

Eligible costs shall meet all the following criteria:

- they are incurred by the beneficiary.
- they are incurred during the duration of the action, with the exception of costs relating to final reports and audit certificates;
  - The period of eligibility of costs will start as specified in the grant agreement.
  - If a beneficiary can demonstrate the need to start the action before the agreement is signed, the costs eligibility period may start before that signature. Under no circumstances can the eligibility period start before the date of submission of the grant application.
- they are indicated in the estimated budget;
- they are necessary for the implementation of the action which is the subject of the grant;
- they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost accounting practices of the beneficiary;
- they comply with the requirements of applicable tax and social legislation;
- they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

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

Eligible costs may be direct or indirect.

#### 11.1.1. *Eligible direct costs*

The eligible direct costs for the action are those cost which:

**with due regard for the conditions 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, such as :

- (a) *the costs of personnel working under an employment contract with the beneficiary or an equivalent appointing act and assigned to the action, provided that these costs are in line with the beneficiary's usual policy on remuneration.*

*Those costs include actual salaries plus social security contributions and other statutory costs included in the remuneration. They may also comprise additional remunerations, including payments on the basis of supplementary contracts regardless of the nature of those contracts, provided that they are paid in a consistent manner whenever the same kind of work or expertise is required, independently from the source of funding used;*

*The costs of natural persons working under a contract with the beneficiary other than an employment contract or who are seconded to the beneficiary by a third*

*party against payment may also be included under such personnel costs, provided that the following conditions are fulfilled:*

- (i) the person works under conditions similar to those of an employee (in particular regarding the way the work is organised, the tasks that are performed and the premises where they are performed);*
- (ii) the result of the work belongs to the beneficiary (unless exceptionally agreed otherwise); and*
- (iii) the costs are not significantly different from the costs of staff performing similar tasks under an employment contract with the beneficiary;*

The recommended methods for calculation of direct personnel costs are provided in Appendix.

- (b) costs of travel and related subsistence allowances, provided that these costs are in line with the beneficiary's usual practices on travel;*
- (c) the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset:
  - (i) is written off in accordance with the international accounting standards and the beneficiary's usual accounting practices; and*
  - (ii) has been purchased in accordance with the rules on implementation contracts laid down in the grant agreement, if the purchase occurred within the implementation period;**

*The costs of renting or leasing equipment or other assets are also eligible, provided that these costs do not exceed the depreciation costs of similar equipment or assets and are exclusive of any finance fee;*

*Only the portion of the equipment's depreciation, rental or lease costs corresponding to the implementation period and the rate of actual use for the purposes of the action may be taken into account when determining the eligible costs. By way of exception, the full cost of purchase of equipment may be eligible under the Special Conditions, if this is justified by the nature of the action and the context of the use of the equipment or assets;*

- (d) costs of consumables and supplies, provided that they:
  - (i) are purchased in accordance with the rules on implementation contracts laid down in the grant agreement; and*
  - (ii) are directly assigned to the action;**
- (e) costs arising directly from requirements imposed by the Agreement (dissemination of information, specific evaluation of the action, audits, translations, reproduction), including the costs of requested financial guarantees, provided that the corresponding services are purchased in accordance with the rules on implementation contracts laid down in the grant agreement;*

- (f) *costs entailed by subcontracts, provided that specific conditions on subcontracting as laid down in the grant agreement are met;*
- (g) *costs of financial support to third parties, provided that the conditions laid down in the grant agreement are met;*
- (h) *duties, taxes and charges paid by the beneficiary, notably value added tax (VAT), provided that they are included in eligible direct costs, and unless specified otherwise in the grant agreement.*

### **11.1.2. Eligible indirect costs (overheads)**

Indirect costs are costs that are not directly linked to the action implementation and therefore cannot be attributed directly to it.

A flat-rate amount of 7 % of the total eligible direct costs of the action, is eligible as indirect costs, representing the beneficiary's general administrative costs which can be regarded as chargeable to the action/project.

Indirect costs may not include costs entered under another budget heading.

**Applicants' attention is drawn to the fact that if they are receiving an operating grant financed by the EU or Euratom budget, they may not declare indirect costs for the period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action.**

In order to demonstrate this, in principle, the beneficiary should:

- a. use *analytical cost accounting that allows to separate all costs (including overheads)* attributable to the operating grant and the action grant. For that purpose the beneficiary should use *reliable accounting codes and allocation keys* ensuring that *the allocation* of the costs is done in a *fair, objective and realistic way*.
- b. *record separately:*
  - all costs incurred for the operating grants (i.e. personnel, general running costs and other operating costs linked to the part of its usual annual activities), and
  - all costs incurred for the action grants (including the actual indirect costs linked to the action)

If the operating grant covers the entire usual annual activity and budget of the beneficiary, the latter is not entitled to receive any indirect costs under the action grant.

### **11.2. Ineligible costs**

- a) *return on capital and dividends paid by a beneficiary;*
- b) *debt and debt service charges;*
- c) *provisions for losses or debts;*
- d) *interest owed;*
- e) *doubtful debts;*
- f) *exchange losses;*

- g) *costs of transfers from the Commission charged by the bank of a beneficiary;*
- h) *costs declared by the beneficiary under another action receiving a grant financed from the Union budget. Such grants include grants awarded by a Member State and financed from the Union budget and grants awarded by bodies other than the Commission for the purpose of implementing the Union budget. In particular, beneficiaries receiving an operating grant financed by the EU or Euratom budget cannot declare indirect costs for the period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action.*
- i) *Contributions in kind from third parties;*
- j) *excessive or reckless expenditure;*
- k) *deductible VAT.*

### **11.3. Form of the grant**

#### **11.3.1. Reimbursement of costs actually incurred<sup>42</sup>**

The grant will be defined by applying a maximum co-financing rate of 80 % to the eligible costs actually incurred and declared by the beneficiary.

### **11.4. Balanced budget<sup>43</sup>**

The estimated budget of the action must be attached to the application form. It must have revenue and expenditure in balance.

The budget must be drawn up in euros.

Applicants for whom costs will not be incurred in euros should use the exchange rate published on the Infor-euro website available at: [http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/inforeuro/inforeuro\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm)

The applicant must ensure that the resources which are necessary to carry out the action are not to be entirely provided by the EU grant.

Co-financing of the action may take the form of:

- the beneficiary's own resources,
- income generated by the action or work programme,
- financial contributions from third parties.

Overall co-financing may also include in-kind contributions from third parties, i.e. non-financial resources made available free of charge by third parties to the beneficiary or to the consortium.<sup>44</sup> The corresponding costs of third parties are not eligible under the grant, e.g. volunteer work, providing a meeting room for free, etc.

The value of the contribution in kind must not exceed:

- either the costs actually borne and duly supported by accounting documents;
- or, in the absence of such documents, the costs generally accepted on the market in question.

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<sup>42</sup> Article 126 FR

<sup>43</sup> Article 196.2 RAP

<sup>44</sup> Article 127 FR

In-kind contributions shall be presented separately in the estimated budget to reflect the total resources allocated to the action. Their unit value is evaluated in the provisional budget and shall not be subject to subsequent changes.

In-kind contributions shall comply with national tax and social security rules.

### **11.5. Calculation of the final grant amount**

The final amount of the grant is calculated by the Commission at the time of the payment of the balance. The calculation involves the following steps:

#### **Step 1 — Application of the reimbursement rate to the eligible costs**

The amount under step 1 is obtained by application of the reimbursement rate specified in section 11.3.1 to the eligible costs accepted by the Commission.

#### **Step 2 — Limit to the maximum amount of the grant**

The total amount paid to the beneficiaries by the Commission may in no circumstances exceed the maximum amount of the grant as indicated in the grant agreement. If the amount obtained following Step 1 is higher than this maximum amount, the final amount of the grant is limited to the latter.

#### **Step 3 — Reduction due to the no-profit rule**

‘Profit’ means the surplus of the amount obtained following Steps 1 and 2 plus the total receipts of the action, over the total eligible costs of the action.

The total eligible costs of the action are the consolidated total eligible costs approved by the Commission. The total receipts of the action are the consolidated total receipts established, generated or confirmed on the date on which the request for payment of the balance is drawn up by the beneficiary.

The following are considered receipts:

- (a) income generated by the action;
- (b) financial contributions given by third parties to a beneficiary, if they are specifically assigned by the third parties to the financing of the eligible costs of the action reimbursed by the Commission.

The following are not considered receipts:

- (a) financial contributions by third parties, if they may be used to cover costs other than the eligible costs under the grant agreement;
- (b) financial contributions by third parties with no obligation to repay any amount unused at the end of the implementation period.

If there is a profit, it will be deducted in proportion to the final rate of reimbursement of the actual eligible costs of the action approved by the Commission.

#### **Step 4 — Reduction due to improper implementation or breach of other obligations.**



The Commission may reduce the maximum amount of the grant if the action has not been implemented properly (i.e. if it has not been implemented or has been implemented poorly, partially or late), or if another obligation under the Agreement has been breached.

The amount of the reduction will be proportionate to the degree to which the action has been implemented improperly or to the seriousness of the breach.

### 11.6. Reporting and payment arrangements<sup>45</sup>

The beneficiary may request the following payments provided that the conditions of the grant agreement are fulfilled (e.g. payment deadlines, ceilings, etc.). The payment requests shall be accompanied by the documents provided below and detailed in the grant agreement:

Payment request	Accompanying documents
A <b>pre-financing payment</b> <sup>46</sup> corresponding to 20% of the total grant amount	On signature of Grant agreement
A <b>second pre-financing payment</b> <sup>47</sup> corresponding to 20% of the total grant amount.	(a) technical report on progress (b) Expected outputs: <ul style="list-style-type: none"> <li>- Concept paper on FLIPs,</li> <li>- Project webpage, social media and maintained Crowd-funding website</li> <li>- Launching conference in Brussels</li> <li>- 1<sup>st</sup> Round of peer-to-peer hubs exchange</li> </ul> (c) statement on the use of the previous pre-financing instalment
<b>1<sup>st</sup> Interim payment</b> <sup>48</sup> . The interim payment of a maximum of 30% of the total grant amount	(a) interim technical report (b) Expected outputs: <ul style="list-style-type: none"> <li>- Organisation of networking meetings, thematic workshops, skills development actions and study-visits</li> <li>- further rounds of peer-to-peer hubs exchange programmes</li> <li>- Stakeholder meeting on OMC Access to Finance and report on update of innovative financing instruments and good practice cases</li> </ul> (c) interim financial statement (d) a certificate on the financial statements and underlying

<sup>45</sup> Article 90, 135 FR, 207 RAP.

<sup>46</sup> Article 109, 110 RAP

<sup>47</sup> Article 207.1 RAP.

<sup>48</sup> Article 109, 110 RAP

	accounts
<p><b>Payment of the balance</b></p> <p>The Commission will establish the amount of this payment on the basis of the calculation of the final grant amount (see section 11.5 above). If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the Commission through a recovery order<sup>49</sup>.</p>	<p>(a) final technical report;</p> <p>(b) Expected outputs:</p> <ul style="list-style-type: none"> <li>- Guidelines for CCI financing and EU CCI-follow up actions</li> <li>- Support skills classification system, Guidelines for CCI skills development, activities and dissemination</li> <li>- Good practice cases and showcase events on innovative models</li> <li>- Patenting: Analysis, case studies and recommendations</li> <li>- Final study (including best practices, conclusions and recommendations)</li> <li>- Closing conference in Brussels</li> </ul> <p>(c) final financial statement;</p> <p>(d) summary financial statement aggregating the financial statements already submitted previously and indicating the receipts</p> <p>(e) a certificate on the financial statements and underlying accounts</p>

In case of a weak financial capacity section 8.1 above applies.

### **Reporting requirements**

The beneficiary shall submit technical, operational and implementation reports as specified in Section 11.6. on Reporting and Payment Arrangements: Each report will be submitted in English to the Commission in printed form and by e-mail. Electronic files must be in Microsoft® Word for Windows format.

### **Short report on the next steps concerning the planned activities**

At the beginning of the project, a short report about the next steps concerning the planned activities will be submitted to the Commission.

### **Technical report on progress**

The technical progress report shall include at least the following:

- information on the activities carried out and progress achieved
- problems encountered, solutions found or proposed

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<sup>49</sup> Article 109, 110 RAP

- timetable and methodology for implementation

### **Interim operational report**

The interim report shall include at least the following:

- information on the activities carried out and progress achieved
- problems encountered, solutions found or proposed
- timetable and methodology for completion
- Sustainability plan;

### **Final implementation report**

The final report shall include at least:

- Comprehensive information on all the activities carried out
- Problems encountered, solutions found and their impact on the outcomes achieved
- Sustainability of the action;

## **11.7. Other financial conditions**

### **a) Non-cumulative award<sup>50</sup>**

An action may only receive one grant from the EU budget.

In no circumstances shall the same costs be financed twice by the Union budget. To ensure this, applicants shall indicate in the grant application the sources and amounts of Union funding received or applied for the same action or part of the action or for its (the applicant's) functioning during the same financial year as well as any other funding received or applied for the same action.<sup>51</sup>

### **b) Non-retroactivity<sup>52</sup>**

No grant may be awarded retrospectively for actions already completed.

A grant may be awarded for an action which has already begun only where the applicant can demonstrate in the grant application the need to start the action before the grant agreement is signed.

In such cases, costs eligible for financing may not have been incurred prior to the date of submission of the grant application.

### **c) Implementation contracts/subcontracting<sup>53</sup>**

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<sup>50</sup> Article 129 FR

<sup>51</sup> Article 196.4 RAP

<sup>52</sup> Article 130 FR

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary must award the contract to the bid offering best value for money or the lowest price (as appropriate), avoiding conflicts of interests.

The beneficiary is expected to clearly document the tendering procedure and retain the documentation for the event of an audit.

Entities acting in their capacity of contracting authorities in the meaning of Directive 2014/24/EU<sup>54</sup> or contracting entities in the meaning of Directive 2014/25/EU<sup>55</sup> must comply with the applicable national public procurement rules.

Beneficiaries may subcontract tasks forming part of the action. If they do so, they must ensure that, in addition to the above-mentioned conditions of best value for money and absence of conflicts of interests, the following conditions are also complied with:

- a) subcontracting does not cover core tasks of the action;
- b) recourse to subcontracting is justified because of the nature of the action and what is necessary for its implementation;
- c) the estimated costs of the subcontracting are clearly identifiable in the estimated budget;
- d) any recourse to subcontracting, if not provided for in description of the action, is communicated by the beneficiary and approved by the Commission. The Commission may grant approval:
  - (i) before any recourse to subcontracting, if the beneficiaries requests an amendment
  - (ii) after recourse to subcontracting if the subcontracting:
    - is specifically justified in the interim or final technical report and
    - does not entail changes to the grant agreement which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants;
- e) the beneficiaries ensure that certain conditions applicable to beneficiaries, enumerated in the grant agreement (e.g. visibility, confidentiality, etc.), are also applicable to the subcontractors.

#### **d) Financial support to third parties<sup>56</sup>**

The applications may not envisage provision of financial support to third parties.

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<sup>53</sup> Article 137 FR, 209 RAP

<sup>54</sup> Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC

<sup>55</sup> Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC

<sup>56</sup> Article 137 FR, 210 RAP

## **12. PUBLICITY**

### **12.1. By the beneficiaries**

Beneficiaries must clearly acknowledge the European Union's contribution in all publications or in conjunction with activities for which the grant is used.

In this respect, beneficiaries are required to give prominence to the name and emblem of the European Commission on all their publications, posters, programmes and other products realised under the co-financed project.

To do this they must use the text, the emblem and the disclaimer available at [https://ec.europa.eu/info/resources-partners/european-commission-visual-identity\\_en](https://ec.europa.eu/info/resources-partners/european-commission-visual-identity_en)

If this requirement is not fully complied with, the beneficiary's grant may be reduced in accordance with the provisions of the grant agreement.

### **12.2. By the Commission<sup>57</sup>**

With the exception of scholarships paid to natural persons and other direct support paid to natural persons in most need, all information relating to grants awarded in the course of a financial year shall be published on an internet site of the European Union institutions no later than the 30 June of the year following the financial year in which the grants were awarded.

The Commission will publish the following information:

- name of the beneficiary;
- address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level<sup>58</sup> if he/she is domiciled within EU or equivalent if domiciled outside EU;
- subject of the grant;
- amount awarded.

Upon a reasoned and duly substantiated request by the beneficiary, the publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the beneficiaries.

## **13. PROCESSING OF PERSONAL DATA**

The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 45/2001 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. Unless indicated otherwise, the questions and any personal data requested that are required to evaluate the application in accordance with the call for proposal will be processed solely for that purpose by European Commission - Directorate-General for Education, Youth, Sport and Culture, Directorate D - Culture and Creativity, Unit D.1 - Cultural Policy.

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<sup>57</sup> Article 35, 128.3 FR, 21, 191 RAP.

<sup>58</sup> European Union Official Journal L 39, of 10 February 2007.

Personal data may be registered in the Early Detection and Exclusion System by the Commission, should the beneficiary be in one of the situations mentioned in Article 106(1) and 107 of the Financial Regulation 966/2012<sup>59</sup> (for more information see the Privacy Statement on:

[http://ec.europa.eu/budget/library/explained/management/protecting/privacy\\_statement\\_e\\_des\\_en.pdf](http://ec.europa.eu/budget/library/explained/management/protecting/privacy_statement_e_des_en.pdf)).

#### **14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS**

Proposals must be submitted by the deadline set out under section 3.

No modification to the application is allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or to correct clerical mistakes, the Commission may contact the applicant during the evaluation process<sup>60</sup>.

Applicants will be informed in writing about the results of the selection process.<sup>61</sup>

Application forms are available at [https://ec.europa.eu/programmes/creative-europe/calls\\_en](https://ec.europa.eu/programmes/creative-europe/calls_en)

Applications must be submitted in the correct form, duly completed and dated. They must be submitted in 5 copies (one original clearly identified as such, plus 4 copies) and signed by the person authorised to enter into legally binding commitments on behalf of the applicant organisation.

Where applicable, all additional information considered necessary by the applicant can be included on separate sheets.

Applications must be sent to the following address<sup>62</sup>:

*European Commission - Directorate-General for Education, Youth, Sport and Culture  
Directorate D - Culture and creativity  
Unit D1 – Cultural Policy - (CALL EAC/S11/2018)  
Walter Zampieri  
J-70, 2/232  
B-1049  
Brussels  
Belgium*

- by post, date as postmark;
- in person, date as receipt,
- by courier service, date of receipt by the courier service.

**Applications sent by fax, e-mail, on UBS keys or any other means than indicated above cannot be accepted.**

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<sup>59</sup> <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32012R0966>

<sup>60</sup> Article 96 FR

<sup>61</sup> Article 133 FR, 205 RAP

<sup>62</sup> Article 195.3 RAP

## **Contacts**

- [EAC-PILOT-CCI@ec.europa.eu](mailto:EAC-PILOT-CCI@ec.europa.eu)

## **Grant Application Documents**

- **Grant Application form**
  - Annex I Declaration of honour
  - Annex II Mandate letters (if applicable)
  - Annex III Estimated Budget of the action
  - Annex IV List of previous projects
  - Annex V List of CVs

## **Reference Documents**

- Checklist for Applicants
- Model Grant Agreement & General Conditions
- Model technical report
- Model financial statement
- Model terms of reference for the certificate on the financial statements (Part I and Part II)
- List of supporting documents

## **Appendix:**

### **Specific conditions for direct personnel costs**

#### **1. Calculation**

The ways of calculating eligible direct personnel costs laid down in points (a) and (b) below are recommended and accepted as offering assurance as to the costs declared being actual.

In case beneficiary uses a different method of calculating personnel costs, the Commission may accept it, if it considers that it offers an adequate level of assurance of the costs declared being actual.

#### **a) for persons working exclusively on the action:**

*{monthly rate for the person*

*multiplied by*

*number of actual months worked on the action }*

The months declared for these persons may not be declared for any other EU or Euratom grant.

The **monthly rate** is calculated as follows:

*{annual personnel costs for the person*

*divided by 12}* using the personnel costs for each full financial year covered by the reporting period concerned.

If a financial year is not closed at the end of the reporting period, the beneficiaries must use the monthly rate of the last closed financial year available;

#### **b) for persons working part time on the action**

(i) If the person is assigned to the action at a fixed pro-rata of their working time:

*{monthly rate for the person multiplied by pro-rata assigned to the action*

*multiplied by*

*number of actual months worked on the action }*

The working time pro-rata declared for these persons may not be declared for any other EU or Euratom grant.

The monthly rate is calculated as above.

(ii) In other cases:



*{hourly rate for the person multiplied by number of actual hours worked on the action}*

*or*

*{daily rate for the person multiplied by number of actual days worked on the action}*

(rounded up or down to the nearest half-day)

The number of actual hours/days declared for a person must be identifiable and verifiable.

The total number of hours/days declared in EU or Euratom grants, for a person for a year, cannot be higher than the annual productive hours/days used for the calculations of the hourly/daily rate. Therefore, the maximum number of hours/days that can be declared for the grant are:

*{number of annual productive hours/days for the year (see below)}*

*minus*

*total number of hours and days declared by the beneficiary, for that person for that year, for other EU or Euratom grants}.*

The ‘**hourly/daily rate**’ is calculated as follows:

*{annual personnel costs for the person*

*divided by*

*number of individual annual productive hours/days}* using the personnel costs and the number of annual productive hours/days for each full financial year covered by the reporting period concerned.

If a financial year is not closed at the end of the reporting period, the beneficiaries must use the hourly/daily rate of the last closed financial year available.

The ‘number of individual annual productive hours/days’ is the total actual hours/days worked by the person in the year. It may not include holidays and other absences (such as sick leave, maternity leave, special leave, etc). However, it may include overtime and time spent in meetings, trainings and other similar activities.

## **2. Records and other documentation to support the personnel costs declared as actual costs**

For **persons working exclusively on the action**, where the direct personnel costs are calculated following **point (a)**, there is no need to keep time records, if the beneficiary signs a **declaration** confirming that the persons concerned have worked exclusively on the action.

For **persons assigned to the action at a fixed pro-rata of their working time**, where the direct personnel costs are calculated following **point (b)(i)**, there is no need to keep time records, if the beneficiary signs a declaration that the persons concerned have effectively worked at the fixed pro-rata on the action.

For **persons working part time on the action**, where direct personnel costs are calculated following **point (b)(ii)**, the beneficiaries must keep **time records** for the number of hours/days declared. The time records must be in writing and approved by the persons working on the action and their supervisors, at least monthly.

In the absence of reliable time records of the hours worked on the action, the Commission may accept alternative evidence supporting the number of hours/days declared, if it considers that it offers an adequate level of assurance.