



CALL FOR PROPOSALS 2020CE16BGT013

A global projection of population by degree of urbanisation

1. INTRODUCTION – BACKGROUND

In March 2020, the UN Statistical Commission endorsed a new methodology to delineate cities, towns and rural areas for statistical comparisons, called the degree of urbanisation. It was designed to complement and not replace national definitions of urban and rural areas.

The 2018 UN World Urbanization Prospects includes a time series of the population in urban and rural areas, but this is based entirely on national definitions. This call aims to produce a globally consistent time series from 1975 to 2100 of population by degree of urbanisation level 1 per country and territory compatible with the latest UN World Population Projections.

Given the continuing urbanisation of the planet, globally comparable data on the level and the changes in urbanisation are important for a wide range of policy areas including health, housing, transport and climate change to name but a few. This time series will be published in an open access format to allow all interested parties to use it.

The final manual of how to apply the degree of urbanisation can be found here: <https://ec.europa.eu/eurostat/about/opportunities/consultations/degree-of-urbanisation>

2. OBJECTIVES

The general objective of this call for proposals is to produce a globally consistent time series of population by age and sex per country and territory by degree of urbanisation from 1975 to 2100 in line with the most recent UN World Population Prospects and the time series of built-up area and population grids produced as part of the Global Human Settlement Project¹.

To reach this general objective, the following specific objectives need to be reached:

- Examine different approaches to spatial modelling, include those that are multi-scale and/or multi-state, and that are informed by both geography and demography before developing the final model.
- Collect demographic (or other) time series data at the local level (including population by age and sex, where feasible) and using a range of available data sources from census micro data to provide empirical support for the parameters used in the model.

¹ <https://ghsl.jrc.ec.europa.eu/degurba.php>

- Test whether local or regional changes in built-up area can be used to add a trend component to the first part of the projections. This would ensure more differentiated growth patterns between areas that are equally suitable for population growth.
- Develop a spatial model to allocate population and project built-up area, which has the following features:
 - The population and built-up area projections should be separate but interacting components of the model.
 - The parameters of this model should be linked to national demographic indicators such as population growth, fertility or migration rates, to allow the parameters changes over time as these demographic indicators change.
 - The parameters should be theoretically informed and evaluated empirically with data describing patterns over the past decades
 - The model's parameters should be empirically derived for different parts of the world based on time series data, which may require collecting additional data.
 - The models should address drivers of urbanization and population change that operate at different geographic scales.
- Evaluate if the United Nations Population Division's URPAS (Urban and Rural Population by Age and Sex²) estimates and Demographic Yearbook data on the urban and rural population by age and sex can be incorporated into the population model.
- Produce a global built-up area grid and a population by large age group and sex grid with five or ten year time intervals from 1975 to 2100.
- Apply the Degree of Urbanisation level 1 to these grids to obtain population (by large age group and sex) by Degree of Urbanisation per country and territory.

This project should produce

- By mid 2022, a methodological report with a description of the spatial model to produce global projected population grids and built-up area grids and a summary of the research and data collections supporting the development of this model.
- By end of 2022, a time series with five year intervals from 1975 to 2100 of the total population by Degree of Urbanisation level 1 per country and territory compatible with the most recent UN World Population Projections
- By end of 2024, a time series with five year intervals from 1975 to 2100 of the population by age and sex by Degree of Urbanisation level 1 per country and territory compatible with the most recent UN World Population Projections

References to spatial work on urban population growth:

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<https://www.un.org/en/development/desa/population/publications/dataset/urban/urbanAndRuralPopulationByAgeAndSex.asp>

- The Components of Urban Growth in Developing Countries (2001) (<https://population.un.org/wup/Archive/>)
- Guy Stecklov (2018) The Components of Urban Growth in Developing Countries: <https://osf.io/6e9hx/>
- Philip Bocquier (2015) Which transition comes first? Urban and demographic transitions in Belgium and Sweden (Volume 33 - Article 48 | Pages 1297–1332) <https://www.demographic-research.org/volumes/vol33/48/33-48.pdf>
- Mathias Lerch (2017) International migration and city growth https://www.un.org/development/desa/pd/sites/www.un.org.development.desa.pd/files/files/documents/2020/Jan/un_2017_techpaper10.pdf
- Ashira Menashe-Oren and Guy Stecklov (2017) Population age structure and sex composition in sub-Saharan Africa – a rural-urban perspective. https://www.ifad.org/documents/38714170/39135332/17_Research_Age_Sex_web.pdf/34ebef51-79f5-4361-bd0e-cf139d6fafad and https://dial.uclouvain.be/pr/boreal/object/boreal%3A207028/datastream/PDF_01/view
- Jones, Bryan; Balk, Deborah; Leyk, Stefan. 2020. "Urban Change in the United States, 1990–2010: A Spatial Assessment of Administrative Reclassification" *Sustainability* 12, no. 4: 1649. <https://doi.org/10.3390/su12041649>
- Leyk, S., Balk, D., Jones, B. *et al.* The heterogeneity and change in the urban structure of metropolitan areas in the United States, 1990–2010. *Sci Data* 6, 321 (2019). <https://doi.org/10.1038/s41597-019-0329-6>
- Balk D, Leyk S, Jones B, Montgomery MR, Clark A (2018) Understanding urbanization: A study of census and satellite-derived urban classes in the United States, 1990-2010. *PLoS ONE* 13(12): e0208487. <https://doi.org/10.1371/journal.pone.0208487>

3. TIMETABLE

	Steps	Date and time or indicative period
(a)	Deadline for submitting applications	18/05/2021 – 12:00 CET
(b)	Evaluation period	May - June 2021
(c)	Information to applicants	June 2021
(d)	Signature of grant agreement	June 2021

4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of projects under this call for proposals is estimated at EUR 500 000.

The maximum grant will be EUR 500 000.

The Commission expects to fund one proposal.

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

5. ADMISSIBILITY REQUIREMENTS

In order to be admissible, applications must be:

- sent no later than the deadline for submitting applications referred to in section 3;
- submitted in writing (see section 14), using the application form available at https://ec.europa.eu/regional_policy/en/newsroom/funding-opportunities/calls-for-proposal/
- and drafted in one of the EU official languages.

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

6. ELIGIBILITY CRITERIA

6.1. Eligible applicants

Proposals may be submitted by organisations such as, but not exclusively, academic institutions and research organisations.

- non-profit organisations (private or public);
- public authorities (national, regional, local);
- international organisations;
- universities;
- educational institutions;
- research centres.

Natural persons as well as entities established for the sole purpose of the implementation of the projects within this call for proposals are not eligible.

Please be aware that following the entry into force of the EU-UK Withdrawal Agreement³ on 1 February 2020 and in particular Articles 127(6), 137 and 138, the references to natural or legal persons residing or established in a Member State of the European Union are to be understood as including natural or legal persons residing or established in the United Kingdom. UK residents and entities are therefore eligible to participate under this call.

Country of establishment

Applications from legal entities established in the following countries are eligible:

- EU Member States;
- EFTA and EEA countries: Iceland, Liechtenstein, Norway, Switzerland;
- candidate countries;
- Non-EU countries

³ Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

Supporting documents

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

The eligible activities shall be those necessary to create projections of the population by age and sex by degree of urbanisation and spread awareness of this work as listed under section 2 of this call for proposals.

The following types of activities are eligible under this call for proposals:

- conferences, seminars;
- awareness and dissemination actions;
- studies, analyses, mapping projects;
- research activities;
- financial support to third parties(see point 11.7. d))

Implementation period

The indicative duration of projects is **48 months**.

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, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended, or it is in any analogous situation arising from a similar procedure provided for under EU or 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 applicable law;
- (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 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 eligibility or selection criteria or in the performance of a contract, a grant agreement or a grant decision;
 - (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 3 of Directive (EU) 2017/1371 of the European Parliament and of the Council and 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 4(2) of Directive (EU) 2017/1371 or 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, or conduct referred to in Article 2(1) of Council Framework Decision 2003/568/JHA, or corruption as defined in the applicable law;
 - (iii) conduct related to a criminal organisation, as referred to in Article 2 of Council Framework Decision 2008/841/JHA;
 - (iv) money laundering or terrorist financing within the meaning of Article 1(3), (4) and (5) of Directive (EU) 2015/849 of the European Parliament and of the Council;
 - (v) terrorist 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 offences concerning trafficking in human beings as referred to 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) It has been established by a final judgement or final administrative decision that the applicant has created an entity in a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations of mandatory application in the

jurisdiction of its registered office, central administration or principal place of business;

- (h) it has been established by a final judgement or final administrative decision that an entity has been created with the intent referred to in point (g);
- (i) for the situations referred to in points (c) to (h) above, the applicant is subject to:
 - (i) facts established in the context of audits or investigations carried out by European Public Prosecutor's Office after its establishment, the Court of Auditors, the European Anti-Fraud Office or the internal auditor, 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 judgments or 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) facts referred to in decisions of persons or entities being entrusted with EU budget implementation tasks;
 - (iv) information transmitted by Member States implementing Union funds;
 - (v) decisions of the Commission relating to the infringement of Union competition law or of a national competent authority relating to the infringement of Union or national competition law; or
 - (vi) 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 must 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 correct the conduct and prevent further occurrence, compensation of damage or payment of fines or of any taxes or social security contributions. 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; or
- (b) has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information; or
- (c) was previously involved in the preparation of documents used in the award procedure where this entails a breach of the principle of equal treatment, including distortion of competition, that cannot be remedied otherwise.

The same exclusion criteria apply to affiliated entities.

Administrative sanctions (exclusion) may be imposed on applicants, or affiliated entities where applicable, if any of the declarations or information provided as a condition for participating in this procedure prove to be false.

7.4. Supporting documents

Applicants and affiliated entities must provide a declaration on their honour certifying that they are not in one of the situations referred to in Articles 136(1) and 141 FR, by filling in the relevant form attached to the application form accompanying the call for proposals and available at https://ec.europa.eu/regional_policy/en/newsroom/funding-opportunities/calls-for-proposal/

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

For mono-beneficiary grants:

- (i) the applicant signs a declaration in its name and on behalf of its affiliated entities; OR
- (ii) the applicant and its affiliated entities each sign a separate declaration in their own name.

For multi-beneficiary grants:

- (i) the coordinator of a consortium signs a declaration on behalf of all applicants and their affiliated entities; OR
- (ii) each applicant in the consortium signs a declaration in its name and on behalf of its affiliated entities; OR
- (iii) each applicant in the consortium and the affiliated entities each sign a separate declaration in their own name.

8. SELECTION CRITERIA

8.1. Financial capacity

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 a declaration on their honour.

a) Low value grants (\leq EUR 60 000):

- a declaration on their honour.

b) Grants $>$ EUR 60 000:

- a declaration on their honour, and

EITHER

- the profit and loss account as well as the balance sheet for the last two financial years for which the accounts were closed;
- for newly created entities: the business plan might replace the above documents;

OR

- the table provided for in the application form, filled in with the relevant statutory accounting figures, in order to calculate the ratios as detailed in the form.

On the basis of the documents submitted, if the Commission considers that financial capacity is 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 RAO considered that the financial capacity is insufficient s/he will reject the application.

8.2. Operational capacity

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action. In this respect, applicants have to submit a declaration on their honour, and the following supporting documents:

- an exhaustive lists of previous projects and activities performed and connected to the actions to be carried out;
- proof of
 - Experience with global population modelling and
 - Experience with global demographic projections
 - Experience managing research grants

9. AWARD CRITERIA

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

	<i>Criteria</i>	<i>Elements to be taken into consideration</i>	<i>Weighting (points)</i>
1	<i>Consistency with the objectives of the call for proposals</i>	<i>This criterion evaluates to which extent the objective(s) of the project correspond to the general and specific objectives of the Call for proposals</i>	30 points (minimum 15 points threshold)
2	<i>Effectiveness and rationale of the proposed methodology</i>	<i>This criterion evaluates to which extent the proposed methodology fits with the requirements. The methodology should be effective and scientifically grounded. The proposed methodology should be implementable within the time</i>	40 points (minimum 20 points threshold)

		<i>frames of this project.</i>	
3	Organisation (including the timetable and monitoring)	<i>This criterion evaluates to which extent the organisation of the work is suited for the tasks and will ensure that the time table can be maintained.</i>	30 points (minimum 20 points threshold)

10. LEGAL COMMITMENTS

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.

Two copies of the original agreement must be signed first by the beneficiary or coordinator on behalf of the consortium and returned to the Commission immediately. The Commission will sign it last.

The applicants understand that submission of a grant application implies acceptance of the general conditions attached to this call for proposals. These general conditions bind the beneficiary to whom the grant is awarded and shall constitute an annex to the grant decision.

11. FINANCIAL PROVISIONS

11.1. Form of the grant

11.1.1 Reimbursement of costs actually incurred

The grant will be defined by applying a maximum co-financing rate of 90 % to the eligible costs actually incurred and declared by the beneficiary and its affiliated entities.

For details on eligibility of costs, please refer to section 11.2.

11.1.2 Reimbursement of eligible costs declared on the basis of flat-rate(s)

The grant will be defined by applying a maximum co-financing rate of 90 % to the eligible costs declared by the beneficiary and its affiliated entities on the basis of:

a flat rate of 7% of the eligible direct costs ('reimbursement of flat-rate costs') for the following categories of costs: indirect costs.

The flat rate will be paid following acceptance of the costs to which the flat rate is to be applied.

11.2. 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 of the action;
- 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 principle 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.

The same criteria apply to costs incurred by the affiliated entities.

Eligible costs may be direct or indirect.

11.2.1. Eligible direct costs

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

with due regard to 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 the 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;

- (e) *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;*
- (f) *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;*
- (g) *costs derived from subcontracts, provided that specific conditions on subcontracting as laid down in the grant agreement are met;*
- (h) *costs of financial support to third parties, provided that the conditions laid down in the grant agreement are met;*
- (i) *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.*

11.2.2. 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.

11.3. Ineligible costs

The following items are not considered as eligible 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.

VAT will be ineligible when the activities to be supported through the grant are taxed activities/exempt activities with right of deduction or activities engaged in by bodies governed by public law acting as a public authority of a Member State (i.e. activities resulting from the exercise of sovereign powers or prerogatives exercised by Member States under the special legal regime applicable to them in line with Article 13(1) of Council Directive 2006/112/EC16: e.g. police, justice, definition and enforcement of public policies, etc.).

11.4. Balanced budget

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

The applicant must ensure that the resources which are necessary to carry out the action are not 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.

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 and addition of the flat-rate

The amount under step 1 is obtained by applying the reimbursement rate specified in section 11.1.1 to the eligible costs actually incurred and accepted by the Commission, including costs declared in the form of flat rates to which the co-financing rate applies in accordance with section 11.1.2.

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.

If volunteers' work is declared as part of direct eligible costs, the final amount of the grant is limited to the amount of total eligible costs approved by the Commission minus the amount of volunteers' work approved by the Commission.

Step 3 — Reduction due to the no-profit rule

‘Profit’ means the surplus of receipts over the total eligible costs of the action, where receipts are the amount obtained following Steps 1 and 2 plus the revenue generated by the action for beneficiaries and affiliated entities other than non-profit organisations.

In-kind and financial contributions by third parties are not considered receipts.

The total eligible costs of the action are the consolidated total eligible costs approved by the Commission. The revenue generated by the action is the consolidated revenue established, generated or confirmed for beneficiaries [and affiliated entities] other than non-profit organisations on the date on which the request for payment of the balance is drawn up.

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

11.6.1 Payment arrangements

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 pre-financing payment corresponding to 40 % of the maximum grant amount	
One interim payment: For the purpose of determining the amount due as interim payment, the reimbursement rate to be applied to the eligible costs approved by the Commission shall be 90 %.	(a) interim technical report (b) interim financial statement

The interim payment shall not exceed 30% of the maximum grant amount.	
<p>Payment of the balance</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.</p>	<p>(a) final technical report (b) final financial statement (c) summary financial statement aggregating the financial statements already submitted previously and indicating the receipts</p>

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

11.6.2 Pre-financing guarantee

A pre-financing guarantee for up to the same amount as the pre-financing may be requested in order to limit the financial risks linked to the pre-financing payment.

The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the EU Member States. When the beneficiary is established in a third country, the Commission may agree that a bank or financial institution established in that third country may provide the guarantee if it considers that the bank or financial institution offers equivalent security and characteristics as those offered by a bank or financial institution established in a Member State. Amounts blocked in bank accounts shall not be accepted as financial guarantees.

The guarantee may be replaced by:

- a joint and several guarantee by a third party or,
- a joint guarantee of the beneficiaries of an action who are parties to the same grant agreement.

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

As an alternative to requesting a guarantee on pre-financing, the Commission may decide to split the payment of pre-financing into several instalments.

11.7. Other financial conditions

a) Non-cumulative award

An action may only receive one grant from the EU budget

b) Non-retroactivity

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

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary may award the contract in accordance with its usual purchasing practices provided that the contract is awarded to the tender offering best value for money or the lowest price (as appropriate), avoiding conflicts of interest.

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

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

The applications may envisage provision of financial support to third parties. In such case the applications must include:

- an exhaustive list of the types of activities for which a third party may receive financial support
- the definition of the persons or categories of persons which may receive financial support
- the criteria for awarding financial support

The amount of financial support per third party must not exceed EUR 60 000 except if achieving the objective of the action as specified the description of the action would otherwise be impossible or overly difficult.

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.

12.2. By the Commission

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 level⁴ if he/she is domiciled within the EU or equivalent if domiciled outside the 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 (EU) No 2018/1725 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC. 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 DG REGIO – Budget and Financial Management. 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 Articles 136 and 141 of Regulation (EU, Euratom) 2018/1046⁵. For more information see the Privacy Statement on:

https://ec.europa.eu/info/data-protection-public-procurement-procedures_en.

⁴ Commission Regulation (EC) No 105/2007 of 1 February 2007 amending the annexes to Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS), OJ L39, 10.2.2007, p.1.

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018R1046>

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

Proposals must be submitted and received 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.

Applicants will be informed in writing about the results of the selection process.

Application forms are available at

https://ec.europa.eu/regional_policy/en/newsroom/funding-opportunities/calls-for-proposal/

Applicants are requested to submit their applications by email **in pdf format** to the following email address: REGIO-CALL-FOR-PROPOSALS-B1@ec.europa.eu

The date and time of receipt of the email with the application attached will constitute the evidence of submission.

Applications sent by post or by fax will not be accepted.

Applications must be submitted in the correct form, duly completed and dated. They must be 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.

➤ **Contacts**

Any questions related to this call may be addressed to REGIO-CONTRACTS@ec.europa.eu. In order to ensure an efficient handling of any enquiry, please indicate clearly the reference of this call for proposals in the subject or in the text of the email.

The answers to the questions submitted will be published in the Q&A list at https://ec.europa.eu/regional_policy/en/newsroom/funding-opportunities/calls-for-proposal/ to ensure equal treatment of all potential applicants. Questions may be sent by applicants to the above address no later than 10 days before the deadline for the submission of proposals.

➤ **Annexes:**

- Application form
- Checklist of documents to be provided
- Model grant agreement
- Financial and technical report template

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.

The Commission may accept a different method of calculating personnel costs used by the beneficiary, 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. Documentation to support 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.