



EUROPEAN COMMISSION

Budget

Central Financial Service

Financial Rules 2 and Programme Management

CALL FOR PROPOSALS

Pilot project

Develop Artificial Intelligence for diagnosis and treatment of paediatric cancer

1. INTRODUCTION – BACKGROUND

The European Commission adopted on 20 April 2020, a decision on the financing of pilot projects and preparatory actions in the field of "Communications Networks, Content and Technology" and on the adoption of the work programme for 2020¹.

Paediatric cancers are a collection of diverse rare diseases that together represent individually life- threatening diseases and collectively a major public health issue. With 35,000 new cases and more than 6,000 children and young people dying each year in Europe, paediatric cancer remains the leading cause of death from disease for children and adolescents. Moreover, there are more than 300,000 European childhood cancer survivors (nearly half a million by 2020). Two-thirds of survivors live with the long-term treatment-related side effects that can be severe and impact on the daily life of half of those affected.

Artificial Intelligence (AI) in is an important enabler of advancements in the field of health and care: it can unlock data insights needed to support data-driven decisions for diagnostics and treatments. In particular, AI has the potential to carry out complex tasks that are currently performed by specialists to improve diagnostic accuracy, increase efficiency of throughputs, improve clinical workflow, decrease human resource costs and improve treatment choices. In this sense, AI technologies have the potential to ease the burden on the health system and improve access to healthcare (e.g. screening) in remote or low resource areas. AI may also play a role in training healthcare professionals.

2. OBJECTIVES

The effective implementation of machine-learning and Artificial Intelligence technologies can bring solutions to many societal challenges, including improved diagnostic and treatment pathways. Integrated healthcare and research data platforms that collate information on clinical phenotypes, diagnostic tests (including pathology,

¹ C(2020) 2259 final

genomics, radiological imaging), treatment interventions and clinical outcomes will be powerful tools towards early and accurate diagnoses, enable precision in stratification of patient cohorts according to therapeutic needs and facilitate development of new therapeutic innovation.

The particularity of paediatric cancers being rare diseases necessitates a collaborative approach to collate and integrate the data collected in all Member States, including best practices and new technologies in order to further develop common solutions. The use of big data for better insights in cancer genesis, outcomes and the long-term side effects of treatments is currently under-developed. Artificial intelligence and machine learning are powerful tools allowing for complex data analytics on large-scale data sets with great potential for fostering precision cancer medicine for all young people in Europe.

Further advances in the diagnosis and treatment of paediatric oncology will require multi-national, multidisciplinary integrated healthcare and research data platforms that will allow real world data simulations of machine-learning algorithms and artificial intelligence that can be exploited in data-driven clinical decision support applications that directly benefit patients.

Specific objectives

The project will support the development of multi-national approaches to facilitate capturing data on paediatric cancer from multiple sources, and build a multi-stakeholder network to explore the applications of Artificial Intelligence technologies in paediatric cancer.

The project will develop a state-of-the-art report to help understanding the challenges, needs and gaps in capturing data on paediatric cancer across the Union or the EEA countries, or both.

The project will develop a framework to find solutions and prioritise opportunities to bridge existing gaps with a multi-national, multi-disciplinary approach.

Mapping and building on existing multi-disciplinary and multi-national platforms/datasets and registries, the project will pave the road to a one-stop shop European point of access for integrated healthcare and research data platforms that collate clinical data, including, for example, clinical history, relevant diagnostic tests (pathology, genomics, radiological imaging), treatment interventions and clinical outcomes for childhood cancers.

The project will create a multi-stakeholder network to connect and facilitate the exchanges and dissemination of best practices in clinically relevant Machine-Learning and Artificial Intelligence technologies between all relevant stakeholders, including paediatric oncology, technology developers, and the European Reference Network for Paediatric Oncology (ERN PaedCan), and experiment on their application in relation to multi-national large-scale data sets.

The project should focus on multiple applications, for example radiological imaging, digital pathology, integrated genotyping and outcome prediction algorithms and clinical decision-making.

Expected impact

The project will support research and further collaboration on Artificial intelligence technologies applied for diagnosis and treatment of paediatric cancers. Project results are expected to cover a representative range of stakeholders and solutions across Union or the EEA countries, or both.

The project is expected to link to and collaborate with relevant Union initiatives (including the European Reference Network for Paediatric Oncology, ERN PaedCan) and

build on Union-funded projects (for example, the Paediatric Rare Tumours Network – PARTNER project).

3. TIMETABLE

	Steps²	Date and time or indicative period
(a)	Publication of the call	14/07/2020
(b)	Deadline for submitting applications	18/08/2020
(c)	Evaluation period	September 2020
(d)	Information to applicants	November 2020
(e)	Signature of grant agreement	January 2021

4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of projects under this call for proposals is estimated at 1.000.000 euros (one million euros).

The maximum grant will be 1.000.000 euros (one million euros).

The Commission expects to fund 1 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 and electronic submission system available at <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home> ; and
- drafted in one of the EU official languages; if the application is submitted in another language than English, please provide at least a summary of the action in English.

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

² *Steps (b), (c), (d) (or equivalent) and (e) to be repeated in case of a two-stage submission procedure*

6. ELIGIBILITY CRITERIA³

6.1. Eligible applicants

Proposals may be submitted by any of the following applicants:

- non-profit organisation (private or public);
- for-profit private organisations with relevant expertise;
- universities;
- research centres.

Affiliated entities

Entities affiliated⁴ to the applicants are not eligible to receive funding under this Call for proposals. They may take part in the action as affiliated entities at their own costs only.

Country of establishment

Only applications from legal entities established in the following countries are eligible:

- EU Member States;
- EEA countries.

Consortium requirements

- In order to be eligible, a proposal must be submitted by a consortium composed of at least 5 legal entities from at least 3 different eligible countries;

Supporting documents

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

Examples of supporting documents (*see also section 4.3.4.2.1 of the Vade Mecum*):

- **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 ;
- **natural persons**: photocopy of identity card and/or passport; certificate of liability to VAT, if applicable (e.g. some self-employed persons)
- **entities without legal personality**: documents providing evidence that their representative(s) have the capacity to undertake legal obligations on their behalf.

³ [Articles 194\(1\)\(b\) and 197 FR](#)

⁴ In accordance with Article 187 FR, entities that satisfy the eligibility criteria and that do not fall within one of the situations referred to in Articles 136(1) and 141(1) FR and that have a link with the applicant, in particular a legal or capital link, which is neither limited to the action nor established for the sole purpose of its implementation, will be considered as entities affiliated to the applicant.

6.2. Eligible activities

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

- conferences, seminars;
- awareness and dissemination actions;
- actions aiming at the creation and improvement of networks, exchanges of good practices;
- studies, analyses, mapping projects;
- research activities.

Implementation period

- The maximum duration of projects is 24 months.

Applications for projects scheduled to run for a longer period than that specified in this call for proposals will not be accepted.

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 measures⁵

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)⁶ 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 documents⁷

Applicants 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/info/funding-tenders/opportunities/portal/screen/home> .

⁵ [Article 136\(7\) FR](#)

⁶ [Article 138 FR](#)

⁷ [Article 137 FR](#)

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

- (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 CRITERIA⁸

8.1. Financial capacity⁹

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:

- a) Low value grants (\leq EUR 60 000):
 - a declaration on their honour.
- b) Grants $>$ EUR 60 000:
 - a declaration on their honour, and
 - the profit and loss account as well as the balance sheet for the last two¹⁰ financial years for which the accounts were closed;
 - for newly created entities: the business plan might replace the above documents;
- c) Grants for an action $>$ EUR 750 000 or operating grants $>$ EUR 100 000¹¹:
 - (i) the information and supporting documents mentioned in point b) above, and
 - (ii) **an audit report** produced by an approved external auditor certifying the accounts for the last two years available where such an audit report is available or whenever a statutory report is required by law.

If the audit report is not available AND a statutory report is not required by law, a self-declaration signed by the applicant's authorised representative certifying the validity of its accounts for the last two¹² financial years available must be provided.

In the event of an application grouping several applicants (consortium), the above thresholds apply to each applicant.

In the case of legal entities forming **one** applicant (the "sole applicant"), as specified in section 6.1, the above requirements apply to each one of those entities.

⁸ *Article 198 FR*

⁹ *Article 198 FR.*

¹⁰ *The number of years requested may not exceed three years (Article 196 (c) FR)*

¹¹ *Article 196(d) FR.*

¹² *The number of years requested may not exceed three years (Article 196 (d) FR)*

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 capacity¹³

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 :

- curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the operation (accompanied where appropriate, like in the field of research and education, 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;
- a description of the technical equipment, tools or facilities and patents at the disposal of the applicant.

9. AWARD CRITERIA¹⁴

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

Award criterion	Maximum score	Threshold
<p>1. Excellence</p> <p>The following aspects will be taken into account, to the extent that the proposed work corresponds to the topic description in the work programme:</p> <ul style="list-style-type: none"> • Clarity and pertinence of the objectives • Soundness of the concept, and credibility of the proposed methodology • Extent that the proposed work is beyond the state of the art, and demonstrates innovation potential (e.g. ground-breaking objectives, novel concepts and approaches, new 	5	3/5

¹³ Article 196 and 198 FR.

¹⁴ Article 199 FR

<p>products, services or business and organisational models)</p> <ul style="list-style-type: none"> • Appropriate consideration of interdisciplinary approaches and, where relevant, use of stakeholder knowledge and gender dimension in research and innovation content 		
<p>2. Impact</p> <p>The following aspects will be taken into account:</p> <ul style="list-style-type: none"> • The extent to which the outputs of the project would contribute to each of the expected impacts mentioned in the work programme under the relevant topic; • Any substantial impacts not mentioned in the work programme, that would enhance innovation capacity, create new market opportunities, strengthen competitiveness and growth of companies, address issues related to climate change or the environment, or bring other important benefits for society • Quality of the proposed measures to: <ul style="list-style-type: none"> ○ exploit and disseminate the project results (including management of IPR) and to manage research data where relevant ○ communicate the project activities to different target audiences 	5	3/5
<p>3. Quality and efficiency of the implementation</p> <p>The following aspects will be taken into account:</p> <ul style="list-style-type: none"> • Quality and effectiveness of the work plan, including extent to which the resources assigned to work packages are in line with their objectives and deliverables • Appropriateness of the management structures and procedures, including risk and innovation management • Complementarity of the participants and extent to which the consortium as whole brings together the necessary expertise 	5	3/5

10. LEGAL COMMITMENTS¹⁵

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 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 75 % to the eligible costs actually incurred and declared by the beneficiary.

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

¹⁵ Article 201 FR.

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.

11.2.1. 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.

- (c) *costs of travel and related subsistence allowances, provided that these costs are in line with the beneficiary's usual practices on travel;*
- (d) *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.

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.

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. The corresponding costs of third parties are not eligible under the grant, e.g. providing a meeting room or equipment for free, etc.

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

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 applying the reimbursement rate specified in section 11.1.1 to the eligible costs actually incurred and 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.

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 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 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 50 % of the maximum grant amount	financial guarantee (see section 11.6.2)
<p>1 interim payment(s) :</p> <p>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 75 %.</p> <p>The total amount of pre-financing and interim payments shall not exceed 90% of the maximum grant amount.</p>	<p>(a) interim technical report</p> <p>(b) interim financial statement</p>

<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>	<ul style="list-style-type: none"> (a) final technical report (b) final financial statement (c) summary financial statement aggregating the financial statements already submitted previously and indicating the receipts (d) a certificate on the financial statements and underlying accounts
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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.

11.7. Other financial conditions

a) **Non-cumulative award**

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

Under 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.

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.

Entities acting in their capacity as contracting authorities within the meaning of Directive 2014/24/EU¹⁶ or contracting entities within the meaning of Directive 2014/25/EU¹⁷ 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.

¹⁶ 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 (OJ L 94, 28.3.2014, p. 65-242)

¹⁷ Directive 2014/25/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 (OJ L 94, 28.3.2014, p. 243-374)

d) Financial support to third parties

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

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.

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 Commission¹⁸

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 level¹⁹ 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

¹⁸ [Articles 38 and 189 FR.](#)

¹⁹ 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.

(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 the Communications Networks, Content and Technology DG.

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) 2018/1046²⁰. For more information see the Privacy Statement on:

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

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 process²¹.

Applicants will be informed in writing about the results of the selection process.²²

Applicants are requested to log in at <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home> and follow the procedure for submitting an application.

Applications sent by fax or e-mail will not be accepted.

➤ **Contacts**

CNECT-H3@ec.europa.eu

➤ **Annexes:**

- Application form Part A and Part B
- Declaration on honour
- Model grant agreement (for information)
- Financial report template (for information)
- Work Programme with Annex

²⁰ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018R1046>

²¹ *Articles 151 and 200(3) FR*

²² *Article 200 FR*

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.