

# CALL FOR PROPOSALS VP/2020/012

EaSI:

**Strengthening the role of social partners in  
mitigating the economic and social impact of  
the COVID-19 crisis**

**Implementing Guide**

*This guide forms an integral part of the  
call for proposals No. VP/2020/012*

## 1. Introduction

This short guide sets out the implementing rules and framework applicable to the financial support to third parties and complements section 6.2 d) of the call for proposal.

The guide provides information about:

- general aspects of the call
- main responsibilities of the beneficiary of the EU grant
- entities eligible for financial support to third parties
- ceiling for financial support to third parties
- the methodology for providing financial support
- the eligible costs
- liability
- other control, monitoring, or visibility provisions
- guidance on how to fill the budget

## 2. General information

As specified in the call text (point 6.1) the action shall be implemented by a consortium composed of at least two organisations (i.e. lead applicant and at least one co-applicant).

Applicant organisations are free to choose the activities, methods and tools etc. to implement their action, on condition that they are in line with the rules stated in the relevant Call for proposal (section 2.2, Description of the activities to be funded) and the Financial Guidelines annexed to the call text.

The coordinator (lead applicant) is responsible for the internal management of the Consortium and must monitor the implementation of the project in order to make sure that the action is implemented in accordance with the terms of the signed Agreement.

## 3. Main responsibilities of the beneficiary of the EU grant with respect to financial support to third parties

The call specifies that at least 80% of the funding shall be allocated to financial support to third parties<sup>1</sup> through cascading grants. The main responsibility of the grant beneficiary will thus be to organise the selection and awarding of those grants to achieve the overall call objective of strengthening the role of social partners in mitigating the economic and social impact of the COVID-19 crisis.

In order to award this financial support to social partner organisations, the proposal must clearly detail the criteria for awarding financial support and include simple and

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<sup>1</sup> Please note that the term « third party » used in the SWIM application form, section E, relates to potential donors not involved in the grant implementation; thus not be confused with financial support to third parties as discussed in this Implementing Guide.

comprehensive criteria for calculating the exact amount of such support as described in the box below:

The beneficiaries of the EU grant **may not exercise any discretionary power in granting financial support to third parties.**

The call for proposals shall require that the proposals include:

- a fixed and exhaustive list of the different types of activities for which a third party may receive financial support (with the limitations contained under point 2 of the present guideline)
- the definition of the persons or categories of persons which may receive financial support (please see point 4 of the present guideline)
- the criteria for awarding financial support: in that regard, award criteria must be objective and non-discriminatory, the selection of the cascading grants must be organised through an open call mechanism and the applications received will have to go through a formal evaluation process presided by a proper Evaluation Committee.
- the maximum amount to be granted to each third party and the criteria for determining it (if different amounts are envisaged according to size, types of activities, etc. this must be duly specified)
- a detailed description on how the calls will be promoted in an open, transparent and non-discriminatory manner
- how the call results will be monitored, and reported upon, and the methodology to assess the quality of the outcomes

The above elements need to be defined later on in the grant agreement so that the margin of discretion of the beneficiary when providing financial support is considered exhausted.

Please, note that all the documents related to the selection of the recipients of financial support (e.g. appointment of the Evaluation Committee, minutes of the Evaluation Committee meetings, results of the evaluation, letters to successful applicants, etc.) must be kept to allow the Commission and the Court of Auditors to exercise their powers of control on the compliance of the procedure.

## **4. Eligible entities for financial support to third parties**

Entities eligible for financial support to third parties are national social partner organisations, properly established in one of the countries listed in point 6.1 of the call for proposal.

## **5. Ceiling for financial support to third parties**

According to the Financial regulation (Art.204), the maximum amount of financial support that can be paid to a third party shall not exceed EUR 60 000. The threshold may only be exceeded where achieving the objectives of the actions would otherwise being impossible or overly difficult (see call text, section 6.2 (d)).

In any case, while determining the maximum amount to be granted to third parties and the criteria for determining it, the proposal must clearly detail the relationship between costs and activities. That means that the amount allocated to each recipient of financial support (national partner association) must be duly justified in the

application and it must be based on an estimation of actual costs necessary to carry out a given number of specific activities (e.g. staff cost, travel and accommodation costs, other costs, etc.). For further guidance, please refer to the Financial Guidelines that accompany the call text.

Grounds for such justification in line with above objective may be specified on the basis of actions that clearly demonstrate a substantial impact on national social partners' capacity in mitigating the economic and social impact of the COVID-19 crisis, and/or otherwise a strategic importance.

## **6. Methodology for providing financial support to third parties and documents to be kept**

Proposals must clearly describe the methodology adopted by beneficiaries for providing financial support to third parties. Two options are available.

**A) Reimbursement of actual cost:** This is a standard option based on the reimbursement of actual eligible incurred by the recipients of financial support. The eligible direct costs are those costs which, provided that they satisfy the criteria of eligibility (see point 7 of the present guideline), are identifiable as specific costs directly linked to the performance of the action and which can therefore be attributed to it directly. By choosing this option, the beneficiary will need to keep track of the costs and receipts incurred by the recipients of financial support. This standard option reduces the risks for both the main beneficiary and the Commission.

**B) Lump sum approach:** The amount of financial support is based on a reasonable estimate of actual costs necessary to carry out the activities to be financially supported. The application must identify the costs or categories of costs covered by the lump sums by respecting the principle of sound financial management. In that regard, the appropriateness of the respective amounts with regard to the required outputs and/or results must be ensured. In addition, the methods for determining such lump sums (e.g. statistical data, historical data, etc.) shall be described. In case the beneficiary opts for this second approach, it must submit an extra document in free format (either Excel or Word) thus explaining the methodology. This document must be aligned with what has been presented in the budget (see section 10).

The methodology described in the application shall also specify the essential conditions triggering the payment, including the achievement of outputs and/or results, as well as the controls put in place to ensure that these conditions are fulfilled.

## **7. Eligible activities and costs for financial support to third parties**

Financial support to third parties must abide by the same conditions on eligible activities set in the call text, point 6.2 d. Please note that the activities must be limited to the list mentioned under point 2.2. of the call text.

Concerning the eligible costs, the same rules contained in the financial guidelines attached to the call text apply.

## **8. Liability**

The grant beneficiary is solely responsible for due compliance with the guidelines set out in this Guide. The beneficiary is also accountable for the sound implementation of the eligibility criteria and funding support. Transactions between beneficiary and third party need to be made through bank transfers.

In the event of a recovery order at the end of the project, the Commission will exclusively turn to the beneficiary of the EU grant, who then may be asked to reimburse amounts which has been transferred as financial support.

Please, note that the beneficiary must ensure that recipients of financial support allow the Commission and the Court of Auditors to exercise their powers of control, on documents, information, even stored on electronic media, or on the final recipient's premises. The documentation to be kept by the third parties in receipt of financial support should be a proof that the amounts declared as eligible by the beneficiary are compliant with the eligibility conditions set out in the grant agreement.

Such supporting documents should include proof that the third party falls within the categories of persons entitled to receive the financial support (e.g. national social partners), proof of receipt of the funds by the third party (e.g. Bank slip, general accounts) and proof of performance of the activities for which the financial support was to be used.

## **9. Other control and monitoring provisions**

The call for proposals introduces clear requirements on the monitoring for beneficiaries. See section 2.4 of the call. The grant beneficiary should aim at communicating and sharing outcomes, experiences, good practices, success stories and deliverables achieved through the cascading grants, thus extending the impact of activities, improving their sustainability and justifying the European added value.

## **10. How to fill out the budget table for the part on financial support to third parties**

The amount of financial support to third parties must be indicated in the SWIM application form under the heading "Budget", Costs of services, Heading 3 of the budget form, in the section "other services".

Please select the applicant organisation from the "incurred by" drop-down list. Describe the support scheme (types of activities, persons or categories of recipients which may receive financial support, criteria for awarding financial support, number of recipients, maximum amount per recipient/third party and criteria for determining it).

Indicate the estimated amount per third party, the estimated number of third parties and insert the total amount for each category of recipients (national partner associations).

Please, note that this information must be further detailed in the Budget Explanation for the Project (Point 16.2 of the call text, checklist point 11).