



EUROPEAN COMMISSION
Employment, Social Affairs and Equal Opportunities DG
Social Protection and Integration
Social and Demographic Analysis

CALL FOR PROPOSALS
VP/2007/009
ENEA PREPARATORY ACTION
ON ACTIVE AGEING
AND MOBILITY OF ELDERLY PEOPLE

BUDGET LINE: 04 03 06

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1. BACKGROUND

The proportion of people over the age of 55 in the total population will be rising over the coming decades as the baby boom cohort enters this age group, and also due to low fertility rates and rising life expectancy. In this context, it becomes increasingly important to mobilise the full potential of older people through active ageing, which implies allowing older people to stay longer in the labour market and to develop their contribution to society, notably as volunteers. Active ageing can be supported through efforts to promote the mobility of older people, giving them access to a wider range of opportunities for employment or volunteer activities across the European Union. Moreover, mobility of older people, as workers, volunteers or tourists, may create new employment opportunities, including for older workers themselves.

2. OBJECTIVES

The ENEA preparatory action is intended to fund a limited number of projects that promote active ageing, including access to the labour market in accordance with the goals of:

- Article 2 of the EC Treaty, which calls for a high level of employment, the raising of the standard of living and quality of life as well as economic and social cohesion and solidarity among Member States;
- the Lisbon European Council, which set up the strategic goal of becoming the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion;
- the Stockholm European Council, that agreed to set an EU target for increasing the average EU employment rate among older women and men (55-64) to 50% by 2010 and called upon the Council and the Commission to report jointly on how to increase labour force participation and promote active ageing;
- the Barcelona European Council, which called for a progressive increase of about 5 years in the effective average age at which people stop working in the European Union by 2010;
- Council Decision 2003/578/EC of 22 July 2003 on guidelines for the employment policies of the Member States (OJ L 197, 5.8.2003, p. 13), which recalls the Barcelona and Stockholm targets and the demographic challenge for the employment rate for older women and men. Guideline 5 explicitly includes promoting active ageing in the sense of increasing the labour force participation, working for more years and remaining longer at work;
- Council Recommendation 2003/597/EC of 22 July 2003 on the implementation of Member States' employment policies (OJ L 197, 5.8.2003, p. 22), which identifies certain actions to be taken with regard to the labour supply and active ageing.
- Council decision 2005/600/EC of 12 July 2005 on guidelines for the employment policies of the Member States for 2005-2008, underpinning the renewed Lisbon Strategy, which puts active ageing at the core of the life cycle approach to work

(integrated guideline 18), facilitating swift employment transitions throughout working life.

- The Council's endorsement of the Commission's assessment (Annual Progress Report) on progress made, including for older workers, which called on Member States to develop a life cycle approach to work and, with a view to making it more attractive for older workers to stay at work for longer, underlined the need to implement active ageing strategies.
- The conclusions of the Spring European Council of 24-25 March 2006 which identified the challenge of responding to globalisation and ageing as one of four priority actions which require a strong impetus from the highest political level. Member States need a common vision and a strong consensus about what needs to be done to achieve the employment rate targets.

The ENEA preparatory action is also intended to finance measures to encourage the establishment of exchange programmes for the elderly through specialised organisations tasked with developing, inter alia, resources for mobility and adapting infrastructures, including within travel, in accordance with the contents of the:

- European Parliament resolution on the second United Nations World Assembly on Ageing held in Madrid from 8 to 12 April 2002 (OJ C 127 E, 29.5.2003, p. 675), which stressed the importance of promoting programmes encouraging mobility for the elderly, and in particular, paragraphs 13 and 14 thereof),
- European Parliament resolution of 15 December 2000 on the Commission communication 'Towards a Europe for all ages - Promoting prosperity and intergenerational solidarity', (OJ C 232, 17.8.2001, p. 381).

3. PRIORITY THEMES

Under the ENEA preparatory action three types of activities will be supported:

- international exchange programmes aimed at promoting the employment of older workers (men and women, including unemployed or inactive people aged at least 50 years old) by giving them access to employment opportunities or helping to enhance their employability in other EU Member States than their country of residence;
- international exchange programmes aimed at promoting the active involvement of older men and women as volunteers working for the general interest;
- good practice projects which target older men and women who have moved to another Member State or are envisaging to do so and which are aimed at meeting specific needs of older people living outside their country of origin with the aim of promoting their active ageing and social and economic integration in the new country of residence.

4. TYPES OF ACTIONS

4.1. Activities eligible for European Commission support

Activities to be carried out under this call for proposals include the organisation of short-term stays for older people who would be most likely to benefit from them in terms of employment opportunities or whose commitment as volunteers working for the general interest would be boosted by such stays.

In addition, activities aimed at promoting the active ageing and social and economic integration of older men and women having moved to another EU Member State will be eligible for funding.

All activities should have a positive impact in terms of promoting active ageing and the social integration of older people beyond the duration of EU funding. The activities should be targeted at groups who are most in need of support and who would be most likely to benefit from such support. This positive impact may be the result of continued employment or volunteer activity of older people beyond the duration of the project funding; it may also result from the project's activities being continued with support from other sources or from the possibility of exchange and transferring of experiences gained from a project.

4.2. Expected results

The preparatory action should allow beneficiaries to establish projects in the areas of active ageing and mobility and test the viability of various new approaches aimed at helping older people stay on the labour market and become or remain active members of society either thanks to cross-border mobility or after having moved to another Member State. The evaluation of the project results should give the European Union an indication on the costs and benefits of EU support measures and thus constitute a basis for deciding whether there should be an EU funding programme in these areas.

5. ELIGIBILITY CRITERIA

The call is open to any legal entity established in the Member States of the European Union. The applicant and its partners must be public entities or non-profit organisations.

Funded activities may be developed and implemented by a partnership which includes participants from several Member States capable of establishing an exchange programme. The role in, and contribution to, the project of each individual partner must be clearly described in the proposal.

Proposals shall be submitted by one of the partners who will be responsible for the overall management of the project. This lead partner will sign the grant agreement with the Commission, receive and manage the grant from the Commission and be responsible for the implementation of the project, for its ongoing monitoring and evaluation and for reporting on its progress to the Commission.

5.1. Eligibility of the applicant

To be considered eligible for funding under this call:

- Applicants must be public entities or enjoy legally established non-profit status and be properly constituted and registered in one of the EU Member States.
- The applicant organisation's legal representative must sign a declaration¹ that they are not in one of the situations listed in Article 93 and Article 94 of the Financial Regulation applicable to the general budget of the European Communities (Council regulation (EC, Euratom) n° 1605/2002 of 25 June 2002)² (see the quotation in the box below).

Article 93

1. Candidates or tenderers shall be excluded from participation in a procurement procedure if:
- (a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
 - (b) they have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata;
 - (c) they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
 - (d) they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;
 - (e) they have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
 - (f) following another procurement procedure or grant award procedure financed by the Community budget, they have been declared to be in serious breach of contract for failure to comply with their contractual obligations.
2. Candidates or tenderers must certify that they are not in any one of the situations listed in paragraph 1.

Article 94

- Contracts may not be awarded to candidates or tenderers who, during the procurement procedure:
- (a) are subject to a conflict of interest;
 - (b) are guilty of misrepresentation in supplying the information required by the contracting authority as a condition of participation in the contract procedure or fail to supply this information.

5.2. Eligibility of the proposal

To be considered eligible for funding under this call, proposals must

- Be clearly related to the objectives of the call.
- Address at least one of its priority themes.
- Not run counter to any fundamental objectives and principles of the European Union.

¹ The model of declaration is included in the electronic application form under Annex E1.

² OJ, L 248 of 16.09.2002, p. 1.

- Comply with European Community rules for co-financing and guarantee a co-financing of at least 20% in cash.
- Be fully carried out in the Member States.
- Comply with the rules on dates of submission and start and duration of operations.
- Demonstrate that the proposed actions are not being financed twice from two different sources within the Community budget (particularly in cases where applicants are already participating in preparatory actions or other programmes). The applicant shall indicate the sources and amounts of any other funding received or applied for under the Community budget for 2007 for any other action, and any funding already received under previous calls or programmes in the course of the three preceding accounting periods.

5.3. Eligibility of the application

To be considered eligible for funding under this call, applications must

- Be submitted electronically online³ and by post in four hard copies (1 original and 3 copies) by the deadline for submitting the application set out below.
- Be complete and include all supporting documents requested as indicated in the checklist (Annex II).

Applicants should note that the Evaluation Committee will not examine applications lacking one or more of the required supporting documents.

5.4. Ineligible actions

The following actions are not eligible for funding:

- Projects or parts thereof aimed at covering ordinary running costs of the applicant or of any of the partners' costs of statutory meetings and events, or costs of standard services which are usually delivered by local, regional or national bodies or authorities.
- Actions that carry a profit to the applicant or to any of the partners involved.
- Activities taking place outside the territory of the European Union.

6. SELECTION CRITERIA

To be selected, applicants must demonstrate their financial, technical and operational capacity to complete the action for which funding is requested.

- In order to prove that they have stable and sufficient sources of funding to maintain its activities throughout the period during which the action is being carried out, applicants shall submit:
 - A declaration⁴ on their honour stating that they have access to stable and adequate funding to maintain activities for the period of the project and to help

³ <https://webgate.cec.eu.int/swim/displayWelcome.do>

⁴ The model of declaration is included in the electronic application form under Annex E1

finance it as necessary including the operational capacity and the operational resources (technical, management) to successfully complete the activity.

- The letters of commitment⁵ signed by the legal representatives of the co-funding organisations (applicant, partners, sponsors, third parties, etc.) and specifying the amount of each cash contribution, proving that together they co-finance the project for at least 20% of the total action costs.
 - The annual balance sheet and profit and loss account for the last financial year for which the accounts were closed, proving that the ratio "annual income/action cost" is equal to or higher than 0.70.
- Organisations which under their national laws and regulations are subject to a statutory audit of their annual accounts must submit an audit report certifying the accounts for the last financial year available. Organisations **not** subject to a statutory audit must submit an audit report certifying their annual accounts for the last financial year available if their grant application is for €500.000 or more. This report shall be carried out by an independent body officially authorised to carry out audits of accounts. This provision shall not apply to public bodies, international public sector organisations set up by intergovernmental agreements, and specialised agencies set up by such organisations.
- In order to demonstrate that they have the operational resources (technical, operational and managerial capacity) needed to successfully complete the action to be supported, applicants shall provide the CVs of the project manager and other main experts (both from applicant and partner organisations) involved in the implementation, with a brief description of their outputs related to the subject of this proposal. The technical capacity of the applicant organisation in managing similar projects should be demonstrated by providing descriptions of projects implemented in the past three years in the same or closely related fields.

7. AWARD CRITERIA

The decision to award a grant to proposals that meet the eligibility and selection criteria will be based on the following award criteria:

- The quality and realism of the proposal (*Are the activities described with sufficient precision? Are they appropriate to achieving the objectives of this call? Is the expected impact analysed and presented in a realistic way?*).
- The cost-effectiveness of the proposed action (*Are the project's contributions to the objectives of this call commensurate with the grant provided, taking into account the lasting effects beyond the period of Community support?*).
- The quality of the partnerships established by the project (*Are the partners the most appropriate ones for achieving the objectives of this call? How strong is the*

⁵ The model of letter of co-funding commitment is included in the electronic application form under Annex E2.

commitment of the partners to the proposed project, including their willingness to provide resources?).

- The relevance of the project's target groups (*Is the proposed action targeted at groups who are most in need of support and who would be most likely to benefit from such support?*).
- The transferability of project results and experiences (*Is the experience gained from the grant-supported project likely to be transferable and useful for other projects? Does the project proposal foresee a proper evaluation of results and the dissemination of its findings?*).

During the evaluation process, the Commission will seek to ensure – as far as possible, given the quality of the proposals submitted – a good balance between different priority themes, regions (sufficiently broad coverage of Member States) and target groups (notably gender, age classes over 50 and social groups) in the overall allocation of grants.

The Commission reserves the right to reject proposals from organisations which have failed to comply with their contractual obligations in relation to earlier agreements with the Commission.

8. PROJECT DURATION AND START DATE

The action shall run for a period of between 24 and maximum 36 months, and shall start in 2007.

9. AVAILABLE BUDGET

A total amount of €3 000 000 is foreseen for this preparatory action in 2007. The amount of grants under this call is expected to range from €300 000 and €800 000.

10. ARRANGEMENTS FOR COMMUNITY FINANCING

The Community's financial contribution to any project will not exceed 80% of the total eligible costs. See Annex I for the rules governing eligible and ineligible costs.

The applicant and the partners must guarantee a minimum co-financing in cash of 20%. Contributions in kind are not accepted.

11. PROCEDURE FOR THE SUBMISSION OF APPLICATIONS

THE DEADLINE FOR THE SUBMISSION OF APPLICATIONS IS

13 July 2007

Only applications submitted on or before the deadline and on the prescribed forms will be considered. Applicants are strongly advised not to wait until the deadline to submit

their on-line applications as the application process may prove difficult if too many applicants are trying to submit at the same time.

Applicants are invited to fill in the application form and present the project proposal preferably in English or French, in order to facilitate the treatment of the proposals and carry out the evaluation as soon as possible. However, it should be noted that applications in other Community languages will be accepted.

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

<https://webgate.ec.europa.eu/swim/displayWelcome.do>

Before starting to fill in the application form on SWIM, please read carefully the User's Guide (click on the "Help on SWIM" button at the top of the page):

http://ec.europa.eu/employment_social/calls/pdf/swim_manual_en.pdf

After creating an "account", applicants or their legal representatives will receive access details (user name and password) enabling them to access the form (which can be completed at their convenience, saved for future reference or printed). A step-by-step online explanation is provided to help users fill in the boxes, sections and annexes of this form.

The compulsory annexes must also be filled in online on the SWIM site (and then printed out for signature).

After filling in the form, applicants or their legal representatives must submit it both electronically and in hard copy.

- **ELECTRONICALLY:** validate the request (click on the "send" button). This step is irreversible and must be carried out on or before the deadline.
- **FOUR HARD COPIES** (i.e. one should be marked "original" and three should be marked "copy"): Please send your covering letter of application together with all the other documents listed in the checklist (Annex II) as signed originals as well as three copies of all these documents by the deadline to the following postal address:

<p style="text-align: center;">Call for Proposals VP/2007/009 European Commission Employment, Social Affairs and Equal Opportunities DG Unit E.1 Social and demographic analysis B-1049 Brussels</p>

Please ensure that your application is sent by registered post and keep proof of the date of sending (the date of post office stamp will be considered as proof of the date of sending).

For hand-delivered applications or applications delivered by express courier services (DHL, UPS, etc.) these must be received by the European Commission on or before 16h00 on the last day for submission. **The address for hand deliveries/express**

courrier service delivery of documents for the European Commission is: **Avenue du Bourget n° 1, B-1140 Evere, Belgium**. Proof of delivery will be provided to the delivery service in the form of a signed and date stamped receipt from the Commission's Central Postal Service in Evere.

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

The Annexes attached to the present call set out the way in which the application form should be completed with:

- Instructions for presenting the proposal's provisional budget along with the rules on which categories of expenditure are eligible and which are not, and the main provisions of the grant agreement;
- A check-list of the required documents to accompany your application.

Should applicants have any further queries on the requirements of the call for proposals or on the application process, please put your query – **in writing only** - quoting the reference “VP/2007/009- query” to the e-mail address below:

empl-e1-courrier@ec.europa.eu

In the spirit of equal treatment and transparency, only queries submitted in writing will be replied to. These will be replied to in the order of their arrival and within a maximum of 6 calendar days of their arrival in the service.

12. NOTIFICATION PROCEDURE

- No information regarding the selection and award procedure shall be disclosed until the award decision has been sent to the beneficiaries.
- All applications will be examined. Only proposals that satisfy the eligibility and selection criteria will be assessed against the award criteria by an internal evaluation committee.
- Upon completion of its work, the evaluation committee will draw up a list of proposals recommended for funding under this call.
- Applicants whose proposals have not been accepted for funding will be informed of the decision taken and the reasons.
- Successful applicants will receive two copies of a grant agreement for their approval, signature and return to the Commission. The Commission will return to the beneficiary one of the copies signed by the two parties.
- The Commission will publish, on the Internet site of the Directorate General Employment and Social Affairs, in the first semester of 2008, the list of the awarded proposals with the beneficiary's name and address, the subject of the grant, the amount awarded and the rate of funding of the costs of the action.

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1. ANNEX I – APPLICANT'S GUIDE

1.1. How your grant will be calculated

If your proposal is selected for a grant, the Commission will calculate its contribution as a percentage of the total budgeted eligible costs of the implementation of the action.

The Commission reserves the right to reduce the grant requested if the proposal is acceptable but considered too expensive, and to reduce individual unit costs if these are estimated to be too high.

1.2. How your final grant will be determined

If your actual expenditure turns out to be lower than the estimated expenditure, the actual grant will also be reduced in application of the percentage contribution which will remain the same. If your actual expenditure turns out to be higher than the estimated expenditure, the Commission's grant will not be increased. It is in the applicant's interest to submit a realistic estimate of expenses.

A mere forecast of expenditure does not give entitlement to a grant. This is why the final grant amount cannot be calculated until the Commission has received the final implementation report and the final statement of expenditure. The expenditure that is committed to the implementation of the action must correspond to payments made by the beneficiary, as evidenced by invoices (to be kept by the beneficiary) or equivalent supporting documents, in order to be accepted as actual expenditure. It must also relate to actual rather than inputted costs.

1.3. No-profit rule

The Community grant may not have the purpose or effect of producing a profit for the beneficiary and/or its partners. Any income of the action must be indicated in the estimated budget and the final financial statement. The amount of the grant will therefore be reduced by the amount of any surplus income.

1.4. The estimated budget must be detailed, balanced and in Euro

Budget estimates must be expressed in Euro. Organisations established in countries outside the euro zone should be aware that they are solely liable for any exchange rate risk.

The budget must be balanced: total revenue and total expenditure must be equal, since the available income will have to finance the planned expenditure.

The budget must be detailed. In order to allow the Commission to assess the cost effectiveness and the feasibility of the proposed action, please make sure that you list all income and expenditure and include all the items related to the activity, and not just those which you want the Commission to finance.

Duplicate Community funding of the same expenditure is not permitted.

The grants awarded under this call for proposals are intended exclusively to fund specific actions. Organisations' operating costs cannot therefore be considered as eligible expenses.

As these operations are not being undertaken for the European Commission's benefit, they do not give entitlement to exemption from VAT.

1.5. Expenditure must be audited

Applicants must also include provisions for all expenditure incurred during the lifetime of the action to be audited by an approved external auditor. This external audit shall be carried out by an independent approved external auditor or a competent and independent public officer authorised to carry out audits of accounts. The audit report shall be attached to the request for final payment. Its purpose is to certify that the submitted accounts are sincere, reliable and substantiated by adequate supporting documents, that they comply with the financial provisions of the agreement, that the costs declared are the actual costs and that all expenditure has been declared (for details, see below the chapter "External audit report"). Costs arising from this may be included in the budget of the action as eligible direct expenses under the section relating to "Administration". The Commission reserves the right to refuse to take into account any expenditure that has not been audited. The audit obligation shall not apply to public bodies, international public-sector organisations set up by intergovernmental agreements, and specialised agencies set up by such organisations.

1.6. Financial guarantee

The beneficiary's attention is drawn to the fact that, in order to preserve the financial interests of the Community, and depending on the Commission's assessment of the applicant's financial viability, the Commission may decide to make payment of the first pre-financing conditional on the production of a financial guarantee. The amount of the financial guarantee shall be equivalent to the amount of the pre-financing payment, corresponding to 30% of the Commission grant. Costs arising from this may be included in the budget of the action as eligible direct expenditure under the section related to administration. Should the Commission give a positive assessment of the applicant's financial viability, this cost shall be excluded by the Commission. Therefore overheads, total action costs and Commission contribution shall be consequently reduced.

1.7. Accounts of the action

The beneficiary must organise its book-keeping and keep the action's accounts in a way that income and expenditure for the action can be clearly identified and distinguishable from the other beneficiary's activities, e.g. analytical accounting.

1.8. Bank account

Payments shall be made to the beneficiary's bank account or sub-account in Euro. This bank account or sub-account must make it possible to identify funds paid by the

Commission. If the funds paid to this account yield interest or equivalent benefits under the law of the State on whose territory the account is opened, such interest or benefits shall, if they are generated by pre-financing payments, be recovered by the Commission as it is specified in Article II. 16.4. of the grant agreement.

The beneficiary shall inform the Commission of any interest or equivalent benefits yielded by the pre-financing payment it has received from the Commission. Notification must be made when the request is introduced for payment of the balance that clears the pre-financing. Such interest or benefits shall not be treated as a receipt generated by the implementation of the action and will be recovered by the Commission.

All costs related to these requirements (such as the cost for opening and closing accounts) are eligible and may be submitted in the budget estimate.

1.9. Eligible costs

In order to be eligible for Community funding, costs must:

- be necessary for the implementation of the action, be included in the estimated budget attached to the agreement, reasonable and justified and consistent with the principles of sound financial management, in particular in terms of value for money and cost-effectiveness;
- be generated during the lifetime of the action, i.e. during the period of eligibility for Community funding as will be specified in the article I.2 of the grant agreement;
- be actually incurred by the beneficiary, be recorded in his accounts in accordance with the applicable accounting principles, and be declared in accordance with the requirements of the applicable tax and social legislation;
- be identifiable and verifiable. Documentation justifying costs must be kept by the beneficiary for five years following final payment by the Commission.

The successful applicant must take care to avoid any unnecessary or unnecessarily high expenditure.

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

Expenditure eligible for financing may not have been incurred before the grant application was lodged. The budget of the action may also contribute to extra costs associated with participation of people with disabilities that requires the use, for example, of special means of transport, personal assistants or sign language interpreters.

1.9.1. Eligible direct costs (D)

1.9.1.1. Personnel costs

The costs of personnel paid as part of the implementation of the project should be based on gross real salaries or emoluments plus social security charges/contributions and other statutory costs included in the remuneration, to the exclusion of all other expenditure. Remuneration must be calculated according to the number of persons, the number of days (working days exclusively devoted to the preparation and implementation of proposal) and the daily rate applied. As a general rule, the calculation of staff costs should be based on a maximum total of 220 working days per annum (or 20 days per month, whichever is the lower) for an individual staff member. They should not be greater than the usual salaries and other charges of the applicant, nor should they be higher than the generally accepted rates on the market for the same kind of service. The names, positions and professional status of all the members of staff working on the project must be stated in the detailed work programme, and the grant beneficiary and its partners must be able to justify these staff costs at the end of the project by means of supporting documents.

The remuneration of core staff of the applicant's organization/partner organization may be regarded as eligible expenditure if the assignment of the staff in question is genuine, necessary and reasonable in relation to the activity being subsidised and to the duration of the action. Thus, for permanent staff, a number of working days corresponding to a full time assignment is not allowed.

If the applicant is a public sector body or is subsidised by the state, any civil servants assigned to the action whose salaries are paid from the state budget are to be considered as being financed by the applicant or by an external sponsor. Thus, to be considered eligible expenditure, the salaries paid to civil servants must be completely covered by the equivalent co-funding in cash. However, costs for staff recruited specifically for the purpose and the duration of the project are eligible.

In all cases, the beneficiary of the grant must keep "time-sheets": a record of the amount of time devoted by the staff in question to their activities. These records must be signed and kept up to date, and must enable clear and easy identification of number of days/hours actually spent working on the project and the daily/hourly cost. When submitting the request for final payment, the beneficiary may be requested to provide pay slips justifying the actual staff costs declared.

1.9.1.2. Travel and subsistence allowances

Under this heading applicants must include all travel planned for the purposes of implementing the activities mentioned in the project.

Travel: Full details must be given of the journeys made including destinations, number of journeys, means of transport used and number of travellers. These expenses must not exceed the best conditions available on the market nor be superior to the following Commission rules for those expenditures:

- rail: first class.
- air: only for journeys over 400 km, economy class fare (maximum).
- car: on the basis of the first-class rail fare.

Subsistence allowances: These allowances include hotel costs and daily subsistence allowance. When you fill in the budget form, in the cell "Daily cost per person" you must indicate the sum of hotel costs plus daily subsistence allowance.

This expenditure follows the Commission's own rules and cannot exceed the maximum rates (in EUR per calendar day) set in the grant agreement, at Annex II.2.1:

Destination	DSA (in €)	Hotel costs (in €)	Destination	DSA (in €)	Hotel costs (in €)
AT Austria	95,00	130,00	IT Italy	95,00	135,00
BE Belgium	92,00	140,00	LT Lithuania	68,00	115,00
BG Bulgaria	70,00	205,00	LU Luxembourg	92,00	145,00
CY Cyprus	93,00	145,00	LV Latvia	66,00	145,00
CZ Czech Republic	75,00	155,00	MT Malta	90,00	115,00
DE Germany	93,00	115,00	NL Netherlands	93,00	170,00
DK Denmark	120,00	150,00	PL Poland	72,00	145,00
EE Estonia	71,00	110,00	PT Portugal	84,00	120,00
EL Greece	82,00	140,00	RO Romania	60,00	170,00
ES Spain	87,00	125,00	SE Sweden	97,00	160,00
FI Finland	104,00	140,00	SI Slovenia	70,00	110,00
FR France	95,00	150,00	SK Slovakia	80,00	125,00
HU Hungary	60,00	150,00	UK United Kingdom	101,00	175,00
IE Ireland	104,00	150,00			

- **Hotel costs:** Claims for these costs must be added only when participants have to spend a night in a hotel, and must be supported by invoices.
- **DSA (Daily Subsistence allowance):** The DSA is paid as a flat-rate amount and is considered to cover breakfast and two main meals, local transport, taxi, cost of telecommunications, including fax and Internet, and all other sundries. They will be paid for each calendar day spent on mission away from the usual place of work (more than 100 Km), provided that the corresponding assignment is of a short-term nature. The DSA will vary according to the country in which the missions are to be carried out. The total amount calculated according to the above mentioned rules regarding DSA's shall constitute a maximum. If catering services are provided by the organisers, the DSA's directly paid to participants must be reduced. DSA is to be calculated as follows according to the length of the mission (elapsing from the time of departure of the means of transport used by the traveller from the home country, to the time of its arrival on return):
 - 6 hours or less: reimbursement of actual expenses (on presentation of supporting documents);
 - more than 6 hours but not more than 12 hours: 0,5 DSA;
 - more than 12 hours, but not more than 24 hours: 1 DSA;
 - more than 24 hours, but not more than 36 hours: 1,5 DSA;
 - more than 36 hours, but not more than 48 hours: 2 DSA;
 - more than 48 hours, but not more than 60 hours: 2,5 DSA, and so on.

1.9.1.3. *Services*

- Information and dissemination (including subscriptions, internet, advertisements, CD ROM, distribution, etc.): For each service, please detail quantity estimate and unit cost.
- Translations: Details of translation costs must include a description of the document, languages translated (from - to), the number of pages and the cost per page.
- Reproductions and publications (including reports, conference proceedings, leaflet, etc.): For each publication and/or other material, please give a description, estimate of the number of pages and an indication of the production costs per page.
- Specific evaluation: Applicants may include provisions for evaluating, during the lifetime of the action, the effectiveness of the strategy and for documenting key findings about mobilising all actors. The tasks concerned must be clearly described in the application form and the corresponding estimated costs set out clearly (please attach quotes) in the detailed budget explanation.
- Interpretation: Interpretation costs must describe the meeting and specify languages, number of interpreters, number of days, daily cost per interpreter.

1.9.1.4. *External expertise*

Any service undertaken by an external party in connection with the implementation of the action is considered to be subcontracting. Applicants should have the operational capacity to complete the action to be supported. However, when justified and necessary, parts of the project may be subcontracted to another person or organisation. In this case, the beneficiary shall ensure that some of the terms applicable to itself under the agreement are also applicable to the subcontractors. It must be clearly specified in the description of the project which tasks it is intended to subcontract and why this subcontracting is necessary.

Main rules related to subcontracting activities:

When concluding external contracts in order to implement the action, the beneficiary must seek competitive tenders from potential contractors and award the contract to the bid offering the best value for money. In doing so, the beneficiary shall observe the principles of transparency and equal treatment of potential contractors and shall take care to avoid any conflict of interests.

Contracts as referred to above may be awarded only in the following cases:

- a) They may only cover the execution of a limited part of the action;
- b) Recourse to the award of contracts must be justified having regard to the nature of the tasks necessary for the implementation of the action;
- c) The tasks to be subcontracted and the corresponding estimated costs must be set out in detail in the budget estimate;

- d) Any recourse to the award of contracts while the action is underway shall be subject to prior written authorisation by the Commission;
- e) The beneficiary shall retain sole responsibility for the implementation of the action and for compliance with the provisions of the agreement. The beneficiary must undertake the necessary arrangements to ensure that the winner of the contract waives all rights in respect of the Commission under the agreement;
- f) The beneficiary must undertake to ensure that the terms, mentioned above, applicable to him under the agreement are also applicable to the winner of the contract.

The remuneration of external staff involved in the project at the beneficiary's or at the partners' premises are considered eligible costs and must be declared under this heading. The beneficiary of the grant must keep "time-sheets": a record of the amount of time devoted by this external staff to the project activities. These records must be signed and kept up to date, and must enable clear and easy identification of number of days/hours actually spent working on the project and the daily/hourly cost.

1.9.1.5. Administration

- Depreciation for purchase of equipment: Depreciation of new and second-hand (less than 3 years old) equipment is authorised over three years. Linear depreciation for new software is 2 years. Depreciation may be claimed only for equipment used for the action. Example for calculation of depreciation: PC acquired in 2005 for €999; depreciation $999:3 \text{ years} = €333/\text{year}$. Use of the equipment for a period of 6 months: eligible depreciation $€333:2 = €166.5$.
- Hire of rooms: Costs related to the rental of rooms must be detailed (number of days, number of rooms, room cost per day, etc.).
- Hire of interpreting booths: Costs related to the rental of booths must be detailed (languages, number of booths, number of days and booth cost per day, etc.).
- Audits: Costs strictly related to the external audit report on the action's accounts required to accompany the request for payment of the final balance (see below "External audit report"). Costs for statutory audit on the organisation's annual accounts are not eligible as they represent regular running costs.
- Financial costs: Financial costs such as bank charges for international transfers to partners, etc.

1.9.2. Eligible indirect costs – overheads (I)

Overheads associated with the operation are limited to a maximum flat-rate of 7% of total direct costs. These can include maintenance, stationery, photocopying, mailing, telephone and fax costs, heating, electricity or other forms of energy, water, office

furniture, insurance and any other expenditure necessary for the successful completion of the project. Mailing costs are considered as overhead costs and cannot be accepted under the headings "publications" or "administration".

If the accepted budget includes provisions for flat-rate funding in respect of indirect costs, they need not to be supported by accounting documents.

Overheads costs are eligible provided that the beneficiary is not receiving grants for running costs from the Commission.

1.10. Ineligible costs

The following costs shall not be considered eligible: return on capital, debt and debt service charges, provisions for losses or potential future liabilities, interest owed, doubtful debts, exchange losses, VAT – unless the beneficiary can show that he is unable to recover it, costs declared by the beneficiary and covered by another action or work programme receiving a Community grant, excessive or reckless expenditure, contributions in kind.

1.11. Income of the action

Total income must be identical to total expenditure. The income of the action is constituted by:

- Community grant
- Cofinancing
 - applicant's cash input from own resources
 - other cofinancing in cash from partners, individuals and public bodies,
 - other grants (listed by donor)
- Revenue generated by the action (e.g. income from sale of products, conference participation fees, membership contributions, etc.).

Details must be given of all contributions, with signed letters of commitment stating the amount of each cash contribution.

1.12. Payment arrangements

Pre-financing of up to 30% of the grant amount is payable within 45 days following signature of the grant agreement by the last party. Depending on the Commission's assessment of the applicant's financial viability, this payment may be conditional on the receipt by the Commission of a financial guarantee for an equivalent amount (see point 1.6 'financial guarantee').

A first interim payment, equivalent to 20% of the grant amount, is payable not before one-third of the duration of the grant agreement and the submission of an interim implementation report (see also point 1.13) and a financial statement.

A second interim payment, equivalent to 20% of the grant amount, is payable not before two-thirds of the duration of the grant agreement and the submission of an interim implementation report (see also point 1.13) and a financial statement.

The request for *payment of the balance* must be accompanied by the final implementation report (see also point 1.14.1), the final financial statement and the external audit report on the action's accounts.

For further details see Articles I.4 and II.15 of the draft agreement.

1.13. Interim report on the action's implementation

The interim report accompanying the requests for interim payments must answer at least the following questions:

- 1) What part of the work programme has been implemented so far?
- 2) How was the project carried out so far? (Describe the project, methodology, activities, timetable, partners' contribution, participants, results and dissemination of results)
- 3) Was the project performed in accordance with the grant agreement and with the work programme and timetable agreed?
- 4) To what extent did the project so far meet the objectives set?
- 5) How will the project implementation be pursued?

1.14. Final report, financial statement and external audit report

Under the terms of the grant agreement, a final implementation report, a financial statement and an external audit report on the action's account must be submitted in English or French in hard copy to the Commission, no later than three months after the end of the agreed implementation period for the action.

1.14.1. Final implementation report

The final report on the implementation of the project must answer at least the following questions:

- 1) How was the project carried out? (Describe the project, methodology, activities, timetable, partners contribution, participants, results and dissemination of results)
- 2) Was the project performed in accordance with the grant agreement and with the work programme and timetable agreed?
- 3) What was the added value achieved by the project and to what extent did the project meet the objectives set?
- 4) What lessons were drawn from this experience?
- 5) Will the project be followed up and, if so, how?

The final implementation report will include documentation on the main results and conclusions of the work carried out under the project. Should this final report be

deemed to be inadequate and/or of low quality, the Commission reserves the right to request additional information within 60 days of reception of the final report, and, if necessary, to suspend the final payment until the requested information is provided.

1.14.2. *Financial statement*

The final financial statement should be accompanied by a request for payment of the balance, duly signed by the applicant. The financial statement must include both income and expenditure, and must be set out in the same way as in the budget estimate. Other formats or layouts will not be accepted.

Supporting documents must include a summary of activities; a list of participants at any conference/meeting bearing their original signatures; copies of all the publications/outputs prepared either for the project itself or as a result of it, in the various languages envisaged for the project.

In the event of failure to comply with these provisions, the final balance may not be paid or not entirely, and sums already received may be recovered by the Commission.

1.14.3. *External audit report*

The request for payment of the final balance shall be accompanied by an external audit report on the action's account carried out by an independent body or expert officially authorised to carry out audits of accounts.

The purpose of the audit is to certify that the financial documents submitted to the Commission by the beneficiary comply with the financial provisions of the agreement, that the costs declared are the actual costs, and that all receipts have been declared.

The external audit report must be complete and detailed, and must include:

- Mention of the approved auditor, according to national laws and regulations;
- Reference to the grant agreement with "VS" number, "Si2" number and project title;
- Clear reference to and mentioning of the costs audited and of the income received - if there is only a reference to an attached budget, the attached budget must be stamped and signed by the approved auditor;
- Any possible reservations expressed by the auditor on the action's accounts.

The audit obligation shall not apply to public bodies, international public sector organisations set up by intergovernmental agreements, and specialised agencies set up by such organisations.

1.15. *Duration of the project*

The action must not exceed 36 months. Signing of the grant agreements is expected to take place at the latest on 31 December 2007. The average project starting date should fall between November and December 2007. The date mentioned in Part I of your application form is the starting date of the action ("period of performance") and of the "period of eligibility of expenditure". This date will be included in the grant agreement if

your application is selected. However, the Commission's commitment does not take effect until the agreement is signed by both parties.

Requests for extension of the period of performance of the action will be allowed only for justified reasons of *force-majeure*. A beneficiary who, for justified reasons of *force-majeure*, requests the Commission's authorisation to extend the duration of the action, shall inform the Commission without delay and no later than one month before the closing date of the action by registered letter, stating the nature of the problem, probable duration and foreseeable effects. If approved by the Commission, a written addendum to the grant agreement will be needed.

1.16. Publicity

Any notice or publication by the beneficiary about the project, including at a conference or seminar, must acknowledge the funding received under this call for proposals from the European Communities, but with an appropriate disclaimer stating that the European Commission is not responsible for any of the content published.

1.17. Withholding of relevant information

The use of grants awarded to beneficiaries is subject to the Commission's financial control. The partial or total withholding by the applicant of any information that may have an impact on the Commission's final decision will result in the application being automatically disqualified or, if discovered at a later stage, will entitle the Commission to unilaterally terminate the grant agreement and demand full repayment of all sums received by the beneficiary under the agreement.

1.18. Checks and audits

The beneficiary shall keep at the disposal of the Commission, or of any other outside body authorised by the Commission, all original documents, especially accounting and tax records, relating to the agreement for a period of five years from the date of payment of the balance (see Article II.19 of the grant agreement).

1.19. Data protection

Your grant application will be processed by computer. All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Your replies to the questions in this form are necessary in order to assess your grant application and they will be processed solely for that purpose by the department responsible for the Community grant programme concerned. On request, you may be sent personal data and correct or complete them. For any question relating to these data, please contact the Commission department to which the form must be returned. Beneficiaries may lodge a complaint against the processing of their personal data with the European Data Protection Supervisor at any time.

1.20. Legal provisions

Once the decision to award a grant has been taken, a grant agreement will be concluded defining the rights and obligations of the contracting parties, pursuant to Council Regulation (EC, Euratom) n° 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities and its detailed rules of implementation laid down in Commission Regulations 1248/2006 of 7 August 2006 and 1261/2005 of 20 July 2005 modifying Commission Regulation 2342/2002 of 23 December 2002.

2. ANNEX II – CHECKLIST OF DOCUMENTS TO BE SUBMITTED TOGETHER WITH YOUR APPLICATION

The following supporting documents must be numbered as shown and must be sent in by the deadline for submission, **in four hard copies: original + three copies** (i.e. one should be marked "**original**" and three should be marked "**copy**").

<i>Order</i>	<i>Document</i>	<i>Check</i>
1	Original letter of application quoting the reference number of the call (VP/2007/009), duly signed and dated by the legal representative of the applicant organisation.	<input type="checkbox"/>
2	Print-out of the online application form (https://webgate.ec.europa.eu/swim) duly completed, dated and signed by the legal representative. NOTE: The electronic form must be electronically submitted before printing. After the electronic submission no further changes to the application are possible.	<input type="checkbox"/>
3	Printed version of Annex E1: Declaration , dated and signed by the legal representative.	<input type="checkbox"/>
4	Printed version of Annex E2: Co-funding commitments ⁶ signed by the legal representatives of the organisations concerned and specifying the amount of each cash contribution.	<input type="checkbox"/>
5	Printed version of Annex E3: Financial identification form duly filled in, dated and signed by the legal representative and bearing the bank stamp and signature of the bank representative.	<input type="checkbox"/>
6	Printed version of Annex E4: Legal entities form , duly completed and signed by the legal representative.	<input type="checkbox"/>
7	Description of the project (free format) dated and signed by the legal representative.	<input type="checkbox"/>
8	Work programme of the project (free format) dated and signed by the legal representative, including a timetable linking months to activities and outputs	<input type="checkbox"/>
9	CVs of the project manager and of the other main experts involved in the project implementation, with a brief description of their outputs related to the subject of the proposal.	<input type="checkbox"/>
10	Annual balance sheet and profit and loss account for the last financial year, duly signed and dated by the legal representative of the applicant organisation.	<input type="checkbox"/>
11	Copy of the official registration certificate or any other official document attesting to the legal establishment of the organisation (not necessary for public bodies).	<input type="checkbox"/>
12	Copy of articles of association/statutes or equivalent , proving the eligibility of the organisation.	<input type="checkbox"/>
13	Copy of a document confirming the applicant's tax or VAT number, if available	<input type="checkbox"/>
14	For grant requests over €500.000,00 or for organisations subject to statutory audit of their annual accounts, an external audit report produced by an approved auditor, certifying the last accounting exercise and assessing the financial viability of the applicant organisation.	<input type="checkbox"/>

⁶ If the originals of your partners' co-funding forms do not arrive in time to be sent with your application, signed faxed copies will be accepted. The originals must, however, be forwarded to the Commission as soon as possible.