



CALL FOR PROPOSALS – EAC/S04/2013

Creative Europe Programme

Organisation and implementation of an annual European Union Prize for rock, pop and dance music: The European Border Breakers' Awards

1. INTRODUCTION – BACKGROUND

The purpose of this call for proposals is to select an organisation/consortium capable of organising the European Border Breakers' Awards (EBBA) for the European Commission for the period 2014-2018 (as of the 2015 edition with preparatory work in 2014). The work entails the organisation of procedures for the selection of the award winners, the organisation of the award ceremony and the promotion of the awards and their winners. The successful applicant will be invited to sign a framework partnership agreement for a maximum period of four years (i.e. four annual editions of the prize), subject to annual confirmation from the European Commission (see section 3).

The European Border Breakers Awards are one of the special actions foreseen under the Culture Sub-programme of "Creative Europe" (hereafter the Programme), the programme for the cultural and creative sectors (CCS) for the 2014-2020 period, based on Articles 166, 167 and 173 of the Treaty on the Functioning of the European Union (hereafter "EU").

The general objectives of the Programme are to:

- Foster the safeguarding and promotion of European cultural and linguistic diversity; and
- Strengthen the competitiveness of the cultural and creative sectors with a view to promoting smart, sustainable and inclusive growth.

The 2014-20 EU programme "Creative Europe" proposed by the European Commission (hereafter the Commission) on 23 November 2011 has not yet been adopted by the European legislative authority. Nonetheless, the Commission has decided to publish this call for proposals in order to allow a smooth transition to the new programme as soon as its legal basis is adopted by the European legislators, and in particular to allow for a continuity in the yearly awarding of the European Border Breakers Awards.

This call for proposals does not legally bind the Commission. The Commission reserves its right to cancel or make corrigendum to the call.

Furthermore, the implementation of this call is subject to the following conditions:

- the adoption by the European legislative authority of the basic act establishing the Programme without any significant modifications,
- a positive opinion or lack of objection by the committee established in the basic act,
- the availability of the appropriations provided for in the draft budget for 2014 after the adoption of the budget for 2014 by the budgetary authority or, if the budget is not adopted, as provided for in the system of provisional twelfths.

2. OBJECTIVES

In cultural terms Europe is a fragmented market with many small countries and a large number of languages. As a consequence, it is difficult for European cultural works to circulate across borders, including in the field of rock, pop and dance music. This fragmentation leads to the sub-optimal transnational circulation of music and makes it harder for musicians and other professionals to work internationally. This also results in a more limited choice of music for the European public. Whilst European musicians can be quite successful nationally, relatively few manage to reach audiences beyond their home country and to achieve either pan-European or global success.

Against this backdrop, the EU has been co-funding the EBBA Awards since 2004¹. This Prize has been supported by the EU Culture Programme as a "Special Action" from 2009 to 2013 (the current framework partnership agreement also covers the organisation of the 2014 EBBA award ceremony).

The EBBA awards aim to recognize and reward the success of emerging talents in the pop, rock and dance music, who manage to achieve success with their first international release in Europe beyond their home country. The objectives of the EBBA awards are as follows:

- further increase the visibility and cross-border success of the winners,
- inspire other emerging artists so that they can achieve international success, as well as
- raise broader awareness in the music industry and among the broader public of the large amount of high quality musical talent in Europe that deserves to be better known and promoted both across the continent and beyond.

These awards are to be seen in the wider context of the EU's Creative Europe programme, which will provide further opportunities for funding for the music and other cultural and creative sectors, with a view to helping musicians, other artists and culture professionals to develop international careers and work across borders.

The prize being supported within the framework of the Creative Europe programme, the conditions for participation are determined in the proposal for a regulation establishing this programme². In particular, the programme is open to EU Member States and to other

¹ See http://ec.europa.eu/culture/our-programmes-and-actions/prizes/european-border-breakers-awards_en.htm

² http://ec.europa.eu/culture/creative-europe/documents/proposal-regulation_en.pdf

countries as long as they meet the conditions referred to in article 16 of the above-mentioned proposal for a regulation³.

The aim of this call for proposals is to ensure the continuation of the EBBA Awards beyond the 2014 edition. More specifically, it is to select an organisation/consortium that will:

(a) Develop a solid and credible mechanism for the selection of European artists/groups in the field of rock, pop and dance music who have managed to achieve success in Europe with their first international release beyond their home country;

(b) Organise an annual high quality and visible awards ceremony as of the 2015 edition. This ceremony should succeed in highlighting artists' cross border success, in promoting the artists' music and in reaching a broad and diversified audience. In practice this means that the artist/group must successfully break through their national borders into another European country with a first international release;

(c) Create a momentum ensuring high visibility for the prize, the winners and the values that the prize promotes in between the award ceremonies, and engage different target groups for the prize;

(d) Develop networking and partnership activities with a view to ensuring the sustainable impact of the prize.

3. FRAMEWORK PARTNERSHIP AGREEMENT

The Commission will support the EBBA awards through a four year framework partnership agreement, for the period 2014-2018 (as of the 2015 edition with preparatory work in 2014 until the 2018 edition with preparatory work in 2017), subject to the availability of funds.

The framework partnership agreement will set out the conditions governing annual grants for an action, on the basis of a four year strategic plan. The framework partnership agreement defines the respective roles and responsibilities of the Commission and the selected organisation(s) in implementing the partnership. It presents the common objectives agreed by the organisation(s) and the Commission; the type of activities envisaged; the procedure to conclude a specific agreement for an annual grant for an action as well as the general rights and the obligations of each party under the specific grant agreements. The framework partnership agreement does not constitute an obligation for the Commission to conclude a specific agreement for an annual grant for an action.

The organisation(s) is/are required to submit a work programme for the framework agreement period as part of the application for the framework partnership agreement. The work programme of the organisation(s) shall comprise an overall description of activities and outputs for the entire period of the framework partnership agreement, and a description of how these will be divided into annual work plans. In addition, a detailed

³ The adopted legislative act will be published at the Official Journal of the European Union on: <http://eur-lex.europa.eu/JOIndex.do?ihmlang=en>

annual work plan is requested for the first year, which will be subject to a specific grant agreement concluded at the same time as the framework partnership agreement.

For years 2, 3 and 4, the Commission will invite the organisation(s) with whom the framework partnership agreement has been signed, to provide annually a detailed work plan for the next year of operation and a corresponding budget in order to conclude specific agreements for a grant for an action for each year of operation.

Please note that concluding the specific agreement for a grant for an action is subject to the Commission's assessment of the detailed annual work plan and the corresponding detailed budget, and of the annual activity report for the previous year, as well as to the availability of budgetary appropriations.

4. TIMETABLE

	Stages	Date and time or indicative period
a)	Publication of the call	End of November 2013
b)	Deadline for submitting applications	31 January 2014
c)	Evaluation period	February –March 2014
d)	Information to applicants	April 2014
e)	Signature of framework partnership agreement and specific agreement	April 2014
f)	Starting date of the action / work programme	Between May 2014 and December 2014

5. BUDGET AVAILABLE

The total budget earmarked for the co-financing of this action is estimated at € 400.000. This will cover the work plan for the 2015 edition of the prize. The budgets for the three subsequent years will be confirmed by the Commission on an annual basis, following consultation with the Creative Europe Programme Committee.

This amount is subject to the availability of the appropriations provided for in the draft budget for 2014 after the adoption of the budget for 2014 by the budgetary authority or provided for in the provisional twelfths.

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

6. ADMISSIBILITY REQUIREMENTS

- Applications must be sent no later than the deadline for the submission of applications referred to in section 4. If the deadline for submission falls on a public holiday in the applicant's country, no extension will be granted; applicants must take this into consideration when planning their submission.

- Applications must be submitted in writing (see section 15), using the application form⁴. Please note that only typed applications will be considered. Applications must be drafted in one of the EU official languages. However, in order to accelerate the assessment procedure, it is recommended that applicants submit their application in English, French or German.

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

7. ELIGIBILITY CRITERIA⁵

7.1. Eligible applicants

The call is open to public or private organisations whose chief activity lies in the field of rock, pop and dance music and which have at least five years proven experience in organising activities and events at a European level in this field.

Only applications from entities established in the EU Member States or in the countries mentioned in Article 16 of the proposal for a regulation establishing the Creative Europe programme⁶ are eligible, provided that, for these latter, on the date referred to in section 4b) of this call, agreements have been signed setting out the arrangements for the participation of those countries in the Culture sub-programme, including the Prizes under the Special Actions.

Affiliated entities described in articles 122(2)(a)⁷ and 122(2)(b) of the Financial Regulation are accepted, under condition of presenting the appropriate supporting documents.

Entities without legal personality, which comply with the provisions of Article 131(2) of the Financial Regulation and article 198 RAP, are also eligible.

In order to assess the applicant's eligibility, the following supporting documents are requested from each applicant organisation and each affiliated entity:

- **The legal entity identification form** (http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm) duly completed and signed by the person authorised to enter into legally binding commitments on behalf of the applicant organisation(s);
- **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);

⁴ Art. 131 FR.

⁵ Art. 131 FR, 201 RAP

⁶ http://ec.europa.eu/culture/creative-europe/documents/proposal-regulation_en.pdf. The adopted legislative act will be published at the Official Journal of the European Union on: <http://eur-lex.europa.eu/JOIndex.do?ihmlang=en>

⁷ the application may be submitted by **one** applicant, whether established specifically or not for the action, provided that:

- it is formed of several legal entities complying with the eligibility, non-exclusion and selection criteria set out in this call for proposals, and implementing together the proposed action;
- the application identifies the said entities.

In such a case, for the purpose of declaring eligible costs as specified under section 12.2, the entities composing the applicant organisations shall be treated as affiliated entities.

- **public entity**: copy of the resolution or decision establishing the public company, or other official document establishing the public-law entity;
- proofs establishing that the person named as legal representative is the **statutory legal representative of the applicant organisation(s)**.

The following entities will be considered as non-eligible:

- **natural persons**

7.2. Eligible activities

Types of activities eligible under this call for proposals:

- ✓ Organisation and awarding of a prize including development and implementation of a selection mechanism and an award ceremony;
- ✓ Measures proposed to create a momentum between the award ceremonies;
- ✓ Communication and audience development activities;
- ✓ Networking and partnership activities.

Implementation period

As mentioned in the timetable, it is expected that the starting date of the action will be between May and December 2014. The duration of the period of eligibility of costs of each specific grant agreement will be no longer than 12 months. No extension to the period of eligibility of costs beyond the maximum duration will be granted.

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

Under duly justified circumstances, and only upon express agreement of the European Commission, the applicant may start the project before the framework partnership and specific agreement are signed. This request should be made before the signature of the specific agreement. However, under no circumstances can the project start before the deadline for submission indicated in section 4 of this Call for Proposals.

8. EXCLUSION CRITERIA

8.1. Exclusion from participation:

Applicants will be excluded from participating in the call for proposals procedure if they are in any of the following situations:

- (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 or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State 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 including by decisions of the EIB and international organisations;

- (d) they are not in compliance with their 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 Responsible Authorising Officer or those of the country where the grant agreement is to be performed;
- (e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such an illegal activity is detrimental to the Union's financial interests;
- (f) they are currently subject to an administrative penalty referred to in Article 109(1) of the Financial Regulation.

8.2. Exclusion from award:

Applicants will not be granted financial assistance if, in the course of the grant award procedure, they:

- (a) are subject to a conflict of interest;
- (b) are guilty of misrepresentation in supplying the information required by the Commission as a condition of participation in the grant award procedure or fail to supply this information;
- (c) find themselves in one of the situations of exclusion, referred to in section 8.1.

The same exclusion criteria apply to affiliated entities.

Administrative and financial penalties may be imposed on applicants, or affiliated entities where applicable, who are guilty of misrepresentation.

8.3. Supporting documents⁸

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to in articles 106(1) and 107 to 109 of the Financial Regulation, filling in the relevant form attached to the application form accompanying the call for proposals. However, this certification will not be necessary if it has recently been provided in another award procedure.

9. SELECTION CRITERIA⁹

9.1. Financial capacity¹⁰

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out or the year for which the grant is awarded and to participate in its funding. The applicant's 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 stating that the applicant has the financial capacity to carry out the action.

⁸ Art. 197 RAP

⁹ Art. 132 FR, 202 RAP

¹⁰ Art. 131, 132 FR, 202 RAP.

b) Grants > EUR 60 000:

- a declaration on their honour stating that the applicant has the financial capacity to carry out the action
- the table provided for in the annex 1 of the application form, filled in with the relevant statutory accounting figures, in order to calculate the financial ratios;
- for economic operators required under national law to keep a complete set of accounts: the balance sheet, profit and loss account and annexes for the last financial year for which the accounts were closed;
- for economic operators required under national law to keep a simplified set of accounts: the statement of expenditure and revenue and the extract containing the assets and liabilities of the last financial year for which accounts were closed.

c) Grants for an action \geq EUR 750 000 or operating grants \geq EUR 100 000, in addition:

- **an audit report** produced by an approved external auditor certifying the accounts for the last financial year available.

The financial capacity will be assessed based on the methodology in annex 2 of the application form.

In the case of legal entities forming **one** applicant, as specified in section 7.1, the above requirements apply to those entities.

On the basis of the documents submitted, if the Responsible Authorising Officer considers that financial capacity is not satisfactory, he may, depending on a risk assessment:

- request further information;
- propose a grant agreement without pre-financing;
- propose a grant agreement with a pre-financing paid in instalments;
- propose a grant agreement with a pre-financing covered by a bank guarantee (see section 12.4 below);
- where applicable, require the joint and several financial liability of all the co-beneficiaries;
- reject the application.

9.2. Operational capacity¹¹

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action or work programme. 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 the management and the implementation of the operation;
- the organisation(s)'s activity reports for the last year;
- an exhaustive list of previous projects and activities performed and connected to the content of this call or to the actions to be carried out;

¹¹ Art. 131 FR, 202 RAP.

- a description of the technical equipment, tools or facilities at the disposal of the applicant.

In the case of legal entities forming **one** applicant, as specified in section 7.1, the above requirements apply to those entities.

10. AWARD CRITERIA¹²

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

A. Relevance of the proposal and its compliance with the objectives of the call (30 points)

The nature and suitability of the mechanisms (procedure and quantitative/qualitative criteria) proposed to select the artists/groups for the EBBA Awards in line with the objectives specified under point 2, with a view to ensuring a balanced geographical spread of winners and developing the reputation and credibility of the Awards within the music sector, specialised and mass-media and among the general public as far as possible;

The nature and suitability of the concept proposed for the award ceremony with a view to ensuring a high quality, high-profile and accessible event, good for the visibility, attractiveness and establishment of the prize and suitable for the sector;

The nature and suitability of the measures proposed to create a momentum and raise awareness of the Awards during the period between the award ceremonies with a view to enhancing the recognition and reputation of the prize within the music sector, the media and the general public and raising its impact.

B. Appropriateness of visibility and communication activities (25 points)

The nature and suitability of the communication strategy proposed, including media partnerships, social media and new technologies, in order to

- reinforce the branding acquired so far by the EBBA Awards among professionals of the music sector, and
- develop further awareness of the prize among the media and the general public as far as possible and stimulate engagement of diverse audiences;

The nature and suitability of the measures proposed to make the support of the EU visible in the promotional tools as well as during and after the award ceremony.

The applicant will have to give an indication of the number of people (by target group: music sector, media and general public) who can be potentially reached (directly and indirectly) by the planned activities (attendance of the ceremony, number of participants, music press, website and social media reach, etc.) and how this information will be collected.

C. Ability to mobilize key stakeholders and partners in the rock, pop and dance sector (25 points)

The evidence of the applicant's ability to involve and effectively mobilise key stakeholders of the European rock, pop and dance music sector with a view to further embedding and actively promoting the Prize within the sector;

¹² Art. 132 FR, 203 RAP

The evidence of the applicant's ability to involve and effectively mobilise stakeholders and partners, including sponsors, with a view to linking the Prize and the winners with other relevant and high-visible initiatives that would help reach new audiences in Europe and beyond.

The ability to work creatively with the music sector and other relevant sectors through networking activities with a view to achieving a multiplier effect.

D. Effectiveness of the proposed methodology and organisation of the EBBA Awards (20 points)

The ability to organise, coordinate and implement the various aspects of the award process, in particular the selection process and the ceremony, in line with the objectives specified under point 2;

The quality of the work plan and time schedule, including decision-making structures and the organisation of partnerships with the European rock, pop and dance music sector;

The relevance and quality of the human resources foreseen, the appropriateness of the human resources allocation as well as the adequacy of the experience of the staff involved with the tasks assigned to them;

The relevance and allocation of the budget with regard to the planned activities.

The projects will be evaluated by an internal evaluation committee of the European Commission.

A ranked list of applications will be established for those scoring **at least**:

- **70 points** in total, **and**
- **20 points** for criterion A,
- **15 points** for criteria B
- **15 points** for criteria C,
- **12 points** for criterion D.

The Commission will use this list when deciding on the award of the grant.

11. LEGAL COMMITMENTS¹³

In the event of a grant awarded by the Commission, a mono-beneficiary or a multi-beneficiary framework partnership agreement and a specific grant agreement for the first year of the partnership, drawn up in euros and detailing the conditions and level of funding, will be sent to the beneficiary, as well as the procedure in view to formalise the obligations of the parties.

The two copies of the original agreements must be signed first by the beneficiary and returned to the Commission immediately. The Commission will sign last.

Please note that the award of a grant does not establish an entitlement for subsequent years.

¹³ Art. 121 FR, 174 RAP.

12. FINANCIAL PROVISIONS

12.1. General Principles

a) Non-cumulative award¹⁴

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

In no circumstances shall the same costs be financed twice by the Union budget. To ensure this, applicants shall indicate the sources and amounts of Union funding received or applied for the same action or part of the action or for its functioning during the same financial year as well as any other funding received or applied for the same action¹⁵.

b) Non-retroactivity¹⁶

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 the need to start the action before the grant agreement is signed or the grant decision is notified.

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

c) Co-financing¹⁷

Co-financing means that the resources which are necessary to carry out the action or the work programme may not be entirely provided by the EU grant.

Co-financing of the action or of the work programme may take the form of:

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

d) Balanced budget¹⁸

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

The budget must be drawn up in euros.

Applicants who foresee that costs will not be incurred in euros, are invited to 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.

e) Implementation contracts/subcontracting¹⁹

Where the implementation of the action or the work programme requires the award of procurement contracts (implementation contracts), the beneficiary must award the contract to the bid offering best value for money or the lowest price (as appropriate), avoiding conflicts of interests and retain the documentation for the event of an audit.

¹⁴ Art. 129 FR

¹⁵ Art. 196.4 RAP.

¹⁶ Art. 130 FR

¹⁷ Art. 125 FR, 183 RAP.

¹⁸ Art. 196.2 RAP

¹⁹ Art. 137 FR, 209 RAP

In the event of procurement exceeding € 60 000, the beneficiary must abide by special rules as referred in the grant agreement annexed to the call. Moreover the beneficiary is expected to clearly document the tendering procedure and retain the documentation for the event of an audit.

Entities acting in their capacity of contracting authorities in the meaning of Directive 2004/18/EC²⁰ or contracting entities in the meaning of Directive 2004/17/EC²¹ shall abide by the applicable national public procurement rules.

Sub-contracting, i.e. the externalisation of specific tasks or activities which form part of the action/work programme as described in the proposal must satisfy the conditions applicable to any implementation contract (as specified above) and in addition to them the following conditions:

- it may only cover the implementation of a limited part of the action;
- it must be justified having regard to the nature of the action and what is necessary for its implementation;
- it must be clearly stated in the proposal.

f) Financial support to third parties²².

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

12.2. Funding form²³

Mixed financing grants are calculated on the basis of a detailed estimated budget indicating clearly the costs that are eligible for EU funding. The grant amount may neither exceed the eligible costs nor the amount requested. Amounts are indicated in euros.

➤ **Maximum amount requested**

The EU grant is limited to a maximum co-funding rate of 60% of **eligible costs**.

Consequently, part of the total eligible expenses entered in the estimative budget must be financed from sources other than the EU grant (see section 12.1c).

➤ **Eligible costs**²⁴

Eligible costs are costs actually incurred by the beneficiary of a grant which meet all the following criteria:

- ✓ they are incurred during the duration of the action or of the work programme, 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 or the grant decision.

If a beneficiary can demonstrate the need to start the action before the agreement is signed, expenditure may be authorised before the grant is awarded. Under no circumstances can the eligibility period start before the date of submission of the grant application (see section 12.1b).

- ✓ they are indicated in the estimated budget of the action or work programme;

²⁰ Directive 2004/18/EC on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts.

²¹ Directive 2004/17/EC coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors.

²² Art. 137 FR, 210 RAP.

²³ Art. 123 FR, 181 RAP.

²⁴ Art. 126 FR

- ✓ they are necessary for the implementation of the action or of the work programme which is the subject of the grant;
- ✓ they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost accounting practices of the beneficiary;
- ✓ they comply with the requirements of applicable tax and social legislation;
- ✓ they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

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

The same criteria apply to affiliated entities.

Eligible direct costs

The eligible direct costs for the action/ work programme are those costs which, **with due regard for the conditions of eligibility set out above**, are identifiable as specific costs directly linked to the performance of the action or the work programme and which can therefore be booked to it directly, such as :

- the costs of personnel working under an employment contract with the applicant or equivalent appointing act and assigned to the action, comprising actual salaries plus social security contributions and other statutory costs included in the remuneration, provided that these costs are in line with the applicant's usual policy on remuneration. Those costs may include additional remuneration, including payments on the basis of supplementary contracts regardless of their nature, provided that it is paid in a consistent manner whenever the same kind of work or expertise is required and independently from the source of funding used;
- costs of the personnel of national administrations to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the project concerned were not undertaken;
- subsistence allowances (for meetings, including kick-off meetings where applicable, conferences etc.) provided that these costs are in line with the beneficiary's usual practices,
- costs of travel (for meetings, including kick-off meetings where applicable, conferences etc.), provided that these costs are in line with the beneficiary's usual practices on travel,
- depreciation cost of equipment (new or second-hand): only the portion of the equipment's depreciation corresponding to the duration of the action/project and the rate of actual use for the purposes of the action may be taken into account by the Commission,
- costs of consumables and supplies, provided that they are identifiable and assigned to the action/project;
- costs entailed by implementation contracts awarded by the beneficiaries for the purposes of carrying out the action/project, provided that the conditions laid down in the grant agreement or grant decision are met;
- costs arising directly from requirements linked to the implementation of the action/project (dissemination of information, specific evaluation of the action, translations, reproduction);

- costs relating to a pre-financing guarantee lodged by the beneficiary of the grant, where required.
- costs relating to external audits where required in support of the requests for payments;
- value added tax ("VAT") where it is not recoverable under the applicable national VAT legislation and is paid by a beneficiary other than a non-taxable person as defined in the first subparagraph of Article 13(1) of Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax.²⁵

Eligible indirect costs (overheads)

A flat-rate amount of 7% of the total eligible direct costs of the action is eligible under 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's attention is drawn to the fact that in the case of organisations receiving an operating grant, indirect costs are not eligible under specific actions.

➤ **Ineligible costs**

- return on capital;
- debt and debt service charges;
- provisions for losses or debts;
- interest owed;
- doubtful debts;
- exchange losses;
- costs of transfers from the Commission charged by the bank of a beneficiary;
- costs declared by a beneficiary and covered by another action receiving a EU grant.
In particular, indirect costs shall not be eligible under a grant for an action awarded to a beneficiary who already receives an operating grant financed from the Union budget during the period in question;
- excessive or reckless expenditure.

➤ **Calculation of the final grant amount**

The final amount of the grant to be awarded to the beneficiary is established after completion of the action or work programme, upon approval of the request for payment containing the following documents²⁶:

- a final report providing details of the implementation and results of the action/work programme ;
- the final financial statement of costs actually incurred.

EU grants may not have the purpose or effect of producing a profit within the framework of the action or the work programme of the beneficiary. Profit shall be defined as a surplus of the receipts over the eligible costs incurred by the beneficiary, when the request is made for payment of the balance. In this respect, where a profit is made, the Commission shall be entitled to recover the percentage of the profit corresponding to the

²⁵ OJ L 347, 11.12.2006, p. 1.

²⁶ Art. 135 FR

Union contribution to the eligible costs actually incurred by the beneficiary to carry out the action or work programme.

12.3. Payment arrangements²⁷

A pre-financing payment²⁸ corresponding to 70% of the grant amount will be transferred to the beneficiary within 30²⁹ days of the date when the last of the two parties signs the agreement, provided all requested guarantees have been received.

The Commission will establish the amount of the final payment to be made to the beneficiary on the basis of the calculation of the final grant amount (see section 12.2 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 order³⁰.

12.4. Pre-financing guarantee³¹

Subject to a risk analysis, the authorising officer may, on a case by case basis, require a pre-financing guarantee for up to the same amount as the pre-financing in order to limit the financial risk 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 Member State of the EU. When the beneficiary is established in a third country, the authorising officer responsible may agree that a bank or financial institution established in that third country may provide the guarantee if he 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 by 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 payments of balances to the beneficiary, in accordance with the conditions laid down in the grant agreement.

13. PUBLICITY

13.1. By the beneficiaries

Beneficiaries must clearly acknowledge the EU'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 logo of the Creative Europe Programme on all their publications, posters, programmes and other products realised under the co-financed project. If this requirement is not fully complied with, the beneficiary's grant may be reduced in accordance with the provisions of the grant agreement

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

²⁷ Art. 90, 135 FR, 207 RAP.

²⁸ Art. 109, 110 RAP

²⁹ Art. 92 FR

³⁰ Art. 109, 110 RAP

³¹ Art. 134 FR, 206 RAP

13.2. By the Commission³²

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 EU 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 level³³ if he/she is domiciled within EU or equivalent if domiciled outside EU,
- subject of the grant,
- amount awarded.

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

14. DATA PROTECTION

The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, the questions and any personal data requested are required to evaluate the application in accordance with the specifications of the call for proposal will be processed solely for that purpose by European Commission – Directorate-General for Education and Culture, Directorate E – Culture and creativity, Unit Creative Europe programme – culture. Details concerning the processing of personal data are available on the privacy statement at:

http://ec.europa.eu/dataprotectionofficer/privacystatement_publicprocurement_en.pdf

Personal data may be registered in the Early Warning System (EWS) only or both in the EWS and Central Exclusion Database (CED) by the Accounting Officer of the Commission, should the beneficiary be in one of the situations mentioned in:

- the Commission Decision 2008/969 of 16.12.2008 on the Early Warning System (for more information see the Privacy Statement on:

http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm,

or

- the Commission Regulation 2008/1302 of 17.12.2008 on the Central Exclusion Database (for more information see the Privacy Statement on

http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm)

³² Art. 35, 128.3 FR, 21, 191 RAP.

³³ European Union Official Journal L 39, of 10 February 2007.

15. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

Proposals must be submitted in accordance with the formal requirements and by the deadline set out under sections 4 and 6.

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 for the correction of clerical mistakes, the Commission may contact the applicant for this purpose during the evaluation process³⁴.

Applicants will be informed in writing about the results of the selection process³⁵.

➤ Submission on paper

The application form and its annexes are available at:

http://ec.europa.eu/culture/calls-for-proposals/call-eac-s04-2013-ebba_en.htm

Applications shall be submitted on the correct form, duly completed, dated, showing a balanced budget (revenue/expenditure), submitted in 4 copies (one original clearly identified as such, 2 paper copies plus a copy on CD or USB stick), and signed by hand by the person(s) authorised to enter into legally binding commitments on behalf of the applicant organisation(s).

Applications must be:

- either sent by registered post, date as postmark, or by courier service, date of receipt by the courier service, at the following address:

European Commission – Directorate-General for Education and Culture

Directorate E – Culture and creativity

Unit Creative Europe programme - culture – CALL EAC/S04/2013

Mr Karel Bartak

J-70 – 1/102

B-1049 Brussels

Belgium

- or hand-delivered in person, date as receipt, at the following address (opening hours: Monday to Friday, 08.30 – 17.00)

European Commission

Avenue du Bourget 1

B-1140 Brussels

Belgium

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

Contacts :

Corinne Rigaud, email: corinne.rigaud@ec.europa.eu, tel.: +32 2 299 05 23

Véronique Pain, email: veronique.pain@ec.europa.eu, tel.: +32 2 296 81 46

Annexes:

- Application forms, including declaration of honour to be completed and checklist of documents to be provided

³⁴ Art. 96 FR

³⁵ Art. 133 FR, 205 RAP

- Annexes 1 and 2 of the application forms (Economic and financial capacity analysis form, to be completed, and methodology for assessing the financial capacity of the beneficiaries of grants, for information)
- Annex 3 - Budget forms for information on estimated budget, to be completed
- Annex 4 - Model framework partnership agreements and model specific grant agreements, for information.