



CREATIVE EUROPE

CROSS-SECTORAL STRAND

CALL FOR PROPOSALS – EACEA/06/2019

Bridging culture and audiovisual content through digital

GUIDELINES

1. INTRODUCTION – BACKGROUND

These guidelines are based on the Regulation No 1295/2013 of the European Parliament and of the Council of 11/12/2013 concerning the implementation of a programme of support for the European cultural and creative sector (CREATIVE EUROPE) and the corrigendum of the 27/06/2014¹, as well as on the 2019 annual work programme for the implementation of the Creative Europe Programme (C(2018) 6687 of 16 October 2018).

The European Commission is responsible for the implementation of the Creative Europe Programme and for the decision to grant individual European Union funds. The Education, Audiovisual and Culture Executive Agency hereafter "the Agency" manages the Cross Sectoral Strand on behalf and under supervision of the European Commission.

General background information about the Creative Europe programme can be found on the following link: http://ec.europa.eu/programmes/creative-europe/index_en.htm.

2. OBJECTIVES - PRIORITIES

Within the specific objective to foster policy development, innovation, creativity, audience development and new business and management models through support for transnational policy cooperation, the cross-sectoral strand of the Creative Europe Programme, shall provide support to testing of new and cross-sectoral business approaches to funding, distributing and monetising creation.

A workshop was organized in February 2019 to discuss the scope and main features of a new action codenamed Creative Innovation Lab, put forward by the Commission in the proposal on the Creative Europe regulation post 2020. This action will implement project(s) at the cross roads between different cultural and creative sectors, (including audiovisual), through the use of innovative technologies. It will also foster innovative cross-sectoral approaches and tools to facilitate access, distribution, promotion and monetisation of culture and creativity.

Two calls will test out the concept on a pilot, experimental basis, under the current multiannual financial framework:

- The present Call
- A second Call for proposals to be published once the Work Programme 2020 is adopted.

Innovative technologies can build bridges among different cultural and creative sectors. The role of digital technologies for cultural and creative sector is at the heart of the Commission's #Digital4Culture strategy. That is the Commission's strategy coupling culture and digital, using the digital potential to empower the positive economic and societal effects of culture.

Digital production and distribution in the age of media convergence is one of the pillars of the strategy. The digital revolution enables the creation of new and innovative artistic creations, but also innovative ways of presenting cultural heritage. In the digital environment, convergence of media – in particular audiovisual – and content is profoundly affecting production and distribution models. By using digital tools (including data and algorithms), the production of culture and creative goods can find new forms of expression, enhance cultural experiences (e.g. in museums and art galleries) and bring about new forms of cooperation among artists and other actors. In turn, culture and the arts can bring in their creativity potential to enhance the innovative capacity of Europe, both for society and industry.

In the light of this, this action will implement project(s) at the cross roads between different cultural and creative sectors (including audiovisual), for instance through the use of innovative technologies, including

¹ Regulation No 1295/2013, published in the Official Journal of the European Union on the 20/12/2013 (OJ L 347/221) and 27/06/2014 (OJ L 189/260).

virtual reality. It will also foster innovative cross-sectoral approaches and tools to facilitate access, distribution, promotion and monetisation of culture and creativity, including cultural heritage.

Support will be given to projects:

a) featuring new forms of creation at the cross roads between different cultural and creative sectors, including the audiovisual sector, and through the use of innovative technologies, including virtual reality,

or

b) fostering innovative cross sectoral approaches and tools to facilitate access, distribution, promotion and/or monetisation of culture and creativity, including cultural heritage.

The focus should be on the following aspects:

- problem solving approach and addressing challenges for the cultural and creative sectors;
- audiences and the user experience are of paramount importance in scoping the problem;
- technology is an enabler in addressing key problems, rather than an objective on its own;
- support innovation as regards the creation, distribution and promotion of creative content, addressing cross-sectoral collaboration as well as the use of enabling technologies is also an objective.

For more details please also see the annex to this Call, "Workshop main conclusions 20th February 2019" which provides guiding principles.

The results of the undertaken actions should be shared with stakeholders and policy makers through the organisation of a public workshop and assessment of the impact of the action.

3. TIMETABLE

	Steps	Date and time or indicative period
(a)	Publication of the call	April 2019
(b)	Deadline for submitting applications	June, 20th 2019 12:00 (noon, Brussels Time)
(c)	Evaluation period	June-Sept 2019
(d)	Information to applicants	October 2019
(e)	Signature of grant agreement	November 2019

4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of projects under this call for proposals is estimated at EUR 1.75 M.

The minimum grant will be 150.000EUR. The Agency expects to fund between 6 and 10 projects.

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

5. ADMISSIBILITY REQUIREMENTS

In order to be admissible, applications must be:

- sent no later than the deadline for submitting applications referred to in section 3;
- submitted in writing (see section 14 of the present guidelines), using the application form and electronic submission system available at https://eacea.ec.europa.eu/creative-europe/funding/bridging-audiovisual-and-culture-content-through-digital-eacea062019_en and
- drafted in one of the EU official languages, preferably in English or French

The information included in the annexes cannot be provided under the form of downloadable documents through internet links.

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

In order to submit an application, applicants and co-applicants must provide their Participant Identification Code (PIC) in the application form. The PIC can be obtained by registering the organisation in the Participant's Register hosted in the Funding & Tender opportunities Portal <https://ec.europa.eu/education/participants/portal/desktop/en/home.html>.

The Participant Register is a tool shared by other services of the European Commission. If an applicant, or co-applicant, already has a PIC that has been used for other programmes (for example the Research programmes), the same PIC is valid for the present call for proposals.

The Funding & Tender Portal allows applicants and co-applicants to upload or update the information related to their legal status and attach the requested legal and financial documents.

6. ELIGIBILITY CRITERIA

Applications which comply with the following criteria will be subject of an in-depth evaluation.

6.1. Eligible applicants

The proposal must be submitted by a consortium composed of at least 3 legal entities coming from 3 different countries participating in the Creative Europe Programme and presenting a diverse range of expertise across several cultural and creative sectors, including audiovisual.

All the members of the consortium must be established in a country participating to the Creative Europe Programme (see link below).

Proposals may be submitted by any of the following applicants:

- non-profit organisation (private or public);
- public authorities (national, regional, local);
- international organisations;
- universities;
- educational institutions;
- research centres;
- profit making entities;
- natural persons are not eligible except self-employed persons or equivalent (i.e. sole traders) where the company does not possess legal personality separate from that of the natural person.

Applications from legal entities established in one of the following countries are eligible as long as all conditions referred to in Article 8 of the Regulation establishing the Creative Europe Programme are met:

- EU Member States and overseas countries and territories which are eligible to participate in the Programme pursuant to Article 58 of Council Decision 2001/822/EC;

- Acceding countries, candidate countries and potential candidates benefiting from a pre- accession strategy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective Framework Agreements, Association Council Decisions or similar agreements;
- EFTA countries which are members of the EEA, in accordance with the provisions of the EEA Agreement;
- The Swiss Confederation, on the basis of a bilateral agreement to be concluded with that country;
- Countries covered by the European Neighbourhood Policy in accordance with the procedures established with those countries following the framework agreements providing for their participation in Union programmes.

The Programme shall also be open for bilateral or multilateral cooperation actions targeted at selected countries or regions on the basis of additional appropriations paid by, and specific arrangements to be agreed upon with, those countries or regions.

The Programme shall permit cooperation and joint actions with countries not participating in the Programme and with international organisations which are active in the cultural and creative sectors such as UNESCO, the Council of Europe, the Organisation for Economic Co-operation and Development or the World Intellectual Property Organisation on the basis of joint contributions for the realisation of the Programme's objectives.

Proposals from applicants in non EU countries may be selected, provided that, on the date of the award decision, agreements have been signed setting out the arrangements for the participation of those countries in the programme established by the Regulation referred to above.

(The updated list of countries that fulfil the conditions referred to in Article 8 of the Regulation and that the Commission has started negotiations with can be found on the following link: http://eacea.ec.europa.eu/creative-europe/library/eligibility-organisations-non-eu-countries_en).

For British applicants: Please be aware that eligibility criteria must be complied with for the *entire* duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis of Article II.17 of the grant agreement.

Proposals from applicants in candidate or associated countries may be selected provided that, on the date of award, agreements have entered into force setting out the arrangements for the participation of those countries in the programme.

Consortium requirements

- In order to be eligible, a proposal must be submitted by a consortium composed of at 3 three legal entities coming from 3 different countries participating in the Creative Europe Programme.

Supporting documents

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

- **private entity:** extract from the official journal, copy of articles of association, extract of trade or association register, certificate of liability to VAT (if, as in certain countries, the trade register number and VAT number are identical, only one of these documents is required);
- **public entity:** copy of the resolution, decision or other official document establishing the public-law entity;
- **natural persons:** photocopy of identity card and/or passport; certificate of liability to VAT, if applicable (e.g. some self-employed persons);
- **entities without legal personality:** documents providing evidence that their representative(s) have the capacity to undertake legal obligations on their behalf.

- **consortium:** in addition to the supporting documents referring to their legal status, consortium members will submit letters confirming their participation to the project.

6.2. Eligible activities

Projects including an audiovisual and new digital technology aspect to be implemented in at least one of the following areas: museums, live performance and/or cultural heritage.

Projects require at least 3 partners established in 3 countries participating in the Creative Europe programme.

The minimum contribution requested per project will be EUR 150.000, representing maximum 60% of the total eligible cost of the project.

Projects requesting less than EUR 150.000 will not be considered as eligible.

The period of eligibility of costs will start on 01/01/2020 and will end on 30/06/2021(18 months).

Only applications that fulfil the eligibility criteria will be considered for a grant. If an application is deemed ineligible, a letter indicating the reasons will be sent to the applicant.

Implementation period

- activities may not start before 01/01/2020
- activities are to be completed by 30/06/2021
- the duration of projects is 18 months

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

7. EXCLUSION CRITERIA

7.1. Exclusion

The authorising officer shall exclude an applicant from participating in call for proposals procedures where:

- (a) the applicant is bankrupt, subject to insolvency or winding-up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended, or it is in any analogous situation arising from a similar procedure provided for under EU or national laws or regulations;
- (b) it has been established by a final judgment or a final administrative decision that the applicant is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law;
- (c) it has been established by a final judgment or a final administrative decision that the applicant is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful intent or gross negligence, including, in particular, any of the following:
 - (i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of eligibility or selection criteria or in the performance of a contract, a grant agreement or a grant decision;
 - (ii) entering into agreement with other applicants with the aim of distorting competition;
 - (iii) violating intellectual property rights;

- (iv) attempting to influence the decision-making process of the Agency during the award procedure;
 - (v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;
- (d) it has been established by a final judgment that the applicant is guilty of any of the following:
- (i) fraud, within the meaning of Article 3 of Directive (EU) 2017/1371 of the European Parliament and of the Council and Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;
 - (ii) corruption, as defined in Article 4(2) of Directive (EU) 2017/1371 or Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997, or conduct referred to in Article 2(1) of Council Framework Decision 2003/568/JHA, or corruption as defined in the applicable law;
 - (iii) conduct related to a criminal organisation, as referred to in Article 2 of Council Framework Decision 2008/841/JHA;
 - (iv) money laundering or terrorist financing within the meaning of Article 1(3), (4) and (5) of Directive (EU) 2015/849 of the European Parliament and of the Council;
 - (v) terrorist offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;
 - (vi) child labour or other offences concerning trafficking in human beings as referred to in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;
- (e) the applicant has shown significant deficiencies in complying with main obligations in the performance of a contract, a grant agreement or a grant decision financed by the Union's budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;
- (f) it has been established by a final judgment or final administrative decision that the applicant has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95;
- (g) It has been established by a final judgement or final administrative decision that the applicant has created an entity in a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business;
- (h) it has been established by a final judgement or final administrative decision that an entity has been created with the intent referred to in point (g);
- (i) for the situations referred to in points (c) to (h) above, the applicant is subject to:
- (i) facts established in the context of audits or investigations carried out by European Public Prosecutor's Office after its establishment, the Court of Auditors, the European Anti-Fraud Office or the internal auditor, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;
 - (ii) non-final judgments or non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;
 - (iii) facts referred to in decisions of persons or entities being entrusted with EU budget implementation tasks;
 - (iv) information transmitted by Member States implementing Union funds;

- (v) decisions of the Commission relating to the infringement of Union competition law or of a national competent authority relating to the infringement of Union or national competition law; or
- (vi) decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

7.2. Remedial measures

If an applicant declares one of the situations of exclusion listed above (see section 7.1), it must indicate the measures it has taken to remedy the exclusion situation, thus demonstrating its reliability. This may include e.g. technical, organisational and personnel measures to correct the conduct and prevent further occurrence, compensation of damage or payment of fines or of any taxes or social security contributions. The relevant documentary evidence which illustrates the remedial measures taken must be provided in annex to the declaration. This does not apply for situations referred in point (d) of section 7.1.

7.3. Rejection from the call for proposals

The authorising officer shall not award a grant to an applicant who:

- (a) is in an exclusion situation established in accordance with section 7.1; or
- (b) has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information; or
- (c) was previously involved in the preparation of documents used in the award procedure where this entails a breach of the principle of equal treatment, including distortion of competition, that cannot be remedied otherwise.

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

7.4. Supporting documents

Applicants must provide a declaration on their honour certifying that they are not in one of the situations referred to in Articles 136(1) and 141 FR, by filling in the relevant form attached to the application form accompanying the call for proposals and available at https://eacea.ec.europa.eu/creative-europe/funding/bridging-audiovisual-and-culture-content-through-digital-eacea062019_en

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

for multi-beneficiary grants:

- (i) the coordinator of a consortium signs a declaration on behalf of all applicants.

8. SELECTION CRITERIA

Applicants must submit a declaration on their honour, completed and signed, attesting to their financial and operational capacity to complete the proposed activities.

8.1. Financial capacity

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the duration of the grant and to participate in its funding. The applicants' financial capacity will be assessed on the basis of the following supporting documents that will be requested from selected applicants by the *Research Executive Agency Validation Services*:

- a) Grants > EUR 60 000:
 - a declaration on their honour, and

- the profit and loss account as well as the balance sheet for the last 2 financial years for which the accounts were closed;
- for newly created entities: the business plan might replace the above documents;

b) Grants for an action > EUR 750 000:

- (i) the information and supporting documents mentioned in point a) above, and
- (ii) **an audit report** produced by an approved external auditor certifying the accounts for the last 2 financial years available, where such an audit report is available or whenever a statutory report is required by law.

If the audit report is not available AND a statutory report is not required by law, a self-declaration signed by the applicant's authorised representative certifying the validity of its accounts for the last 2 financial years available must be provided.

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

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

In the course of the procedure applicants shall be requested to register and provide a Participant Identification Code (PIC, 9-digit number), serving as the unique identifier of their organisation in the Participant Repository. Applicants will receive instructions on how to create a PIC in due time.

Upon communication of the applicant's PIC, the EU Validation Services (Research Executive Agency Validation Services) will contact the applicant (via the messaging system embedded in the Participant Portal Repository) and request the latter to provide the supporting documents necessary to prove the legal existence and status and the financial capacity of the organisation. All necessary details and instructions will be provided via this separate notification.

On the basis of the documents submitted, if the Responsible Authorising Officer (hereinafter "RAO") considers that financial capacity is weak, s/he may:

- request further information;
- decide not to give pre-financing;
- decide to give pre-financing paid in instalments;
- decide to give pre-financing covered by a bank guarantee (see section 11.4 below);
- propose a grant agreement without pre-financing but an interim payment based on expenses already occurred;
- where applicable, require the joint and several financial liability of all the co-beneficiaries.

If the RAO considered that the financial capacity is insufficient s/he will reject the application.

8.2. Operational capacity

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

- curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the operation;
- an exhaustive lists of previous projects and activities performed and connected to the policy field of a given call or to the actions to be carried out;
- a summary of the applicant's activities over the last two years
- a description of the technical equipment, tools or facilities at the disposal of the applicant;

- an inventory of natural or economic resources involved in the project.

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

9. AWARD CRITERIA

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

	Criteria	Definitions	Max. points
1	Relevance and European added value	This criterion evaluates the relevance of the content of the action, including European dimension vis-à-vis the objectives of the call for proposals.	35
2	Quality of the content and activities	This criterion evaluates the quality of the proposed action, the adequacy of the methodology to the objectives, the feasibility and cost-efficiency.	25
3	Impact and dissemination of project results	This criterion assesses the dissemination of the project's results in view of ensuring the share of information / transparency, the impact of the support on the potential audience for cultural and creative goods and the strategies for developing the sustainability of the action.	20
4	Organisation of the project team and the grouping	This criterion will take into account the extent of the partnership, the exchange of knowledge within the partnership and the distribution of the roles and responsibilities vis-à-vis the objectives of the action.	20

Detailed description of the award criteria and breakdown of points:

1. Relevance and European added value (35 points)

This criterion evaluates the relevance of the content of the action including European dimension vis-à-vis the objectives of the call for proposals.

This criterion will take into account:

- the relevance, degree of innovation and added-value of the project compared to the current situation of the markets (10 points);
- number and diversity of sectors (cultural and creative sectors, including audiovisual, other sectors including tech industry) covered by the action (10 points);
- the European dimension of the partnership, number and complementary nature of the linguistic areas and territories covered by the action (15 points).

See also section 2 "Objectives – Priorities" of this Call for Proposals.

2. Quality of the content and activities (25 points)

This criterion evaluates the quality of the proposed action, the adequacy of the methodology to the objectives, the feasibility and cost-efficiency.

This criterion will take into account:

- the quality feasibility and cost/benefit of the proposed action, adequacy of the methodology to the objectives pursued by the project, including the market analysis, the target audience and target territories, the choice of the works and technology, the timing of activities (20 points);
- feasibility and cost-efficiency of the project (5 points).

3. Impact and Dissemination of project results (20 points)

This criterion assesses the dissemination of the project's results in view of ensuring the share of information / transparency, the impact of the support on the potential audience for cultural and creative goods and the strategies for developing the sustainability of the action.

This criterion will take into account:

- the impact of the project on the potential audience of European works (5 points);
- the capacity to improve the relationships among the various sectors of the creative and cultural industries (including audiovisual) and beyond and to make the most of the potential benefits of innovative technology (5 points);
- the methodology proposed for collecting, analysing and disseminating data in order to share and promote the results, to guarantee the transparency of the project, to propose an exchange of knowledge and best practices and optimise the visibility of the EU support (10 points).

4. Organisation of the project team and the grouping (20 points)

This criterion will take into account the extent of the partnership, the exchange of knowledge within the partnership and the distribution of the roles and responsibilities vis-a vis the objectives of the action.

This criterion will take into account:

- the quality of the project management plan, including the quality of the personnel involved and its governance structure (10 points);
- the adequacy of the track record of the team in relation to the objectives of the project (10 points).

10. LEGAL COMMITMENTS

In the event of a grant awarded by the Agency, a grant agreement, drawn up in euro and detailing the conditions and level of funding, will be sent to the applicant, as well as the information on the procedure to formalise the agreement of the parties.

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

11. FINANCIAL PROVISIONS

11.1. Form of the grant

11.1.1 Reimbursement of costs actually incurred

The grant will be defined by applying a maximum co-financing rate of 60 % to the eligible costs actually incurred and declared by the beneficiary.

Supporting documents

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

- a final report providing details of the implementation and results of the action (eReport);
- the final financial statement of costs actually incurred;
- a declaration on honour and payment request;
- output material,

In case of:

- Grants for an action of more than EUR 60.000, but less than EUR 750.000

The beneficiary is required to submit, in support of the final payment, a “Report of Factual Findings on the Final Financial Report - Type I” produced by an approved auditor or in case of public bodies, by a competent and independent public officer.

The procedure and the format to be followed by an approved auditor or, in case of public bodies, by a competent and independent public officer, are detailed in the following “Guidance Notes”:

https://eacea.ec.europa.eu/sites/eacea-site/files/annex_iii_guidance_notes_audit_type_i_03-2014_en.pdf

The use of the report format set by the “Guidance Notes” is compulsory.

In case of:

- Grants for an action of EUR 750.000 or more, when the cumulative amounts of request for payment is at least EUR 325.000

The beneficiary is required to submit, in support of the final payment, a “Report of Factual Findings on the Final Financial Report - Type II” produced by an approved auditor or in case of public bodies, by a competent and independent public officer. The certificate shall certify, in accordance with a methodology approved by the Agency, that the costs declared by the beneficiary in the financial statements on which the request for payment is based are real, accurately recorded and eligible in accordance with the grant agreement.

The procedure and the format to be followed by an approved auditor or in case of public bodies, by a competent and independent public officer, are detailed in the following “Guidance Notes”:

https://eacea.ec.europa.eu/sites/eacea-site/files/annex_iv_guidance_notes_audit_type_ii_03-2014_en.pdf

The use of the report format set by the “Guidance Notes” is compulsory.

If the eligible costs actually incurred by the beneficiary are lower than anticipated, the Agency will apply the rate of co-financing stated in the grant agreement to the expenditure actually incurred.

In the event of non-execution or clearly inadequate execution of an activity planned in the application attached to the funding decision, the final grant will be reduced accordingly.

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

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

The grant will be defined by applying a maximum co-financing rate of 60 % to the eligible costs declared by the beneficiary on the basis of:

- a flat rate of maximum 7% of the eligible direct costs ('reimbursement of flat-rate costs')

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

11.1.3 Payment conditions, checks and audits for flat-rate(s)

Contribution based on flat-rate will be paid in full provided the action is implemented properly (with the required quality, fully and on time. If the action is not properly implemented the amount of the grant will be reduced proportionately. See also Step 4 in section 11.5.

The fulfilment of the above conditions and/or results triggering the payment of the flat rate as specified in section 11.1.2, including where required the achievement of outputs and/or results will be checked at the latest before the payment of the balance. In addition, the fulfilment of those conditions and/or results may be subject to ex post controls.

For this purpose, in case of verifications, checks and audits, the beneficiary will be required to provide the requested contribution to which the flat rate applies.

The amount of flat rates as specified in section 11.1.2 will not be challenged by ex-post controls. This does not affect the possibility to reduce the grant as specified above or in the case of irregularity, fraud or a breach of other obligations.

Payment of the grant on the basis of flat-rates as specified in section 11.1.2 does not affect the right of access to the statutory records of the beneficiaries for the purpose of:

- reviewing them for future grants, or
- protecting the Union financial interests, e.g. detection of fraud, irregularities or breach of obligations.

11.2. Eligible costs

Eligible costs shall meet all the following criteria:

- they are incurred by the beneficiary.
- they are incurred during the duration of the action, with the exception of costs relating to final reports and audit certificates;
 - o The period of eligibility of costs will start as specified in the grant agreement.
 - o If a beneficiary can demonstrate the need to start the action before the agreement is signed, the costs eligibility period may start before that signature. Under no circumstances can the eligibility period start before the date of submission of the grant application.
- they are indicated in the estimated budget of the action;
- they are necessary for the implementation of the action which is the subject of the grant;
- they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost accounting practices of the beneficiary;
- they comply with the requirements of applicable tax and social legislation;
- they are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency.

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

Eligible costs may be direct or indirect.

11.2.1. Eligible direct costs

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

with due regard to the conditions of eligibility set out above, are identifiable as specific costs directly linked to the performance of the action and which can therefore be booked to it directly, such as :

- (a) *the costs of personnel working under an employment contract with the beneficiary or an equivalent appointing act and assigned to the action, provided that these costs are in line with the beneficiary's usual policy on remuneration.*

Those costs include actual salaries plus social security contributions and other statutory costs included in the remuneration. They may also comprise additional remunerations, including payments on the basis of supplementary contracts regardless of the nature of those contracts, provided that they are paid in a consistent manner whenever the same kind of work or expertise is required, independently from the source of funding used;

The costs of natural persons working under a contract with the beneficiary other than an employment contract or who are seconded to the beneficiary by a third party against payment may also be included under such personnel costs, provided that the following conditions are fulfilled:

- (i) *the person works under conditions similar to those of an employee (in particular regarding the way the work is organised, the tasks that are performed and the premises where they are performed);*
- (ii) *the result of the work belongs to the beneficiary (unless exceptionally agreed otherwise); and*
- (iii) *the costs are not significantly different from the costs of staff performing similar tasks under an employment contract with the beneficiary;*

The recommended methods for the calculation of direct personnel costs are provided in Appendix.

- (b) *costs of travel and related subsistence allowances, provided that these costs are in line with the beneficiary's usual practices on travel;*
- (c) *the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset:*
- (i) *is written off in accordance with the international accounting standards and the beneficiary's usual accounting practices; and*
 - (ii) *has been purchased in accordance with the rules on implementation contracts laid down in the grant agreement, if the purchase occurred within the implementation period;*

The costs of renting or leasing equipment or other assets are also eligible, provided that these costs do not exceed the depreciation costs of similar equipment or assets and are exclusive of any finance fee;

Only the portion of the equipment's depreciation, rental or lease costs corresponding to the implementation period and the rate of actual use for the purposes of the action may be taken into account when determining the eligible costs. By way of exception, the full cost of purchase of equipment may be eligible under the Special Conditions, if this is justified by the nature of the action and the context of the use of the equipment or assets;

- (d) *costs of consumables and supplies, provided that they:*

(i) are purchased in accordance with the rules on implementation contracts laid down in the grant agreement; and

(ii) are directly assigned to the action;

- (e) costs arising directly from requirements imposed by the Agreement (dissemination of information, specific evaluation of the action, audits, translations, reproduction), including the costs of requested financial guarantees, provided that the corresponding services are purchased in accordance with the rules on implementation contracts laid down in the grant agreement;
- (f) costs derived from subcontracts, provided that specific conditions on subcontracting as laid down in the grant agreement are met;
- (g) duties, taxes and charges paid by the beneficiary, notably value added tax (VAT), provided that they are included in eligible direct costs, and unless specified otherwise in the grant agreement.

11.2.2. Eligible indirect costs (overheads)

Indirect costs are costs that are not directly linked to the action implementation and therefore cannot be attributed directly to it.

A flat-rate amount of maximum 7% of the total eligible direct costs of the action is eligible as indirect costs, representing the beneficiary's general administrative costs which can be regarded as chargeable to the action/project.

Indirect costs may not include costs entered under another budget heading.

Applicants' attention is drawn to the fact that if they are receiving an operating grant financed by the EU or Euratom budget, they may not declare indirect costs for the period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action.

In order to demonstrate this, in principle, the beneficiary should:

- a. use *analytical cost accounting that allows to separate all costs (including overheads) attributable to the operating grant and the action grant*. For that purpose the beneficiary should use *reliable accounting codes and allocation keys* ensuring that *the allocation* of the costs is done in a *fair, objective and realistic way*.
- b. *record separately*:
 - all costs incurred for the operating grants (i.e. personnel, general running costs and other operating costs linked to the part of its usual annual activities), and
 - all costs incurred for the action grants (including the actual indirect costs linked to the action)

If the operating grant covers the entire usual annual activity and budget of the beneficiary, the latter is not entitled to receive any indirect costs under the action grant.

11.3. Ineligible costs

The following items are not considered as eligible costs:

- a) return on capital and dividends paid by a beneficiary;
- b) debt and debt service charges;
- c) provisions for losses or debts;
- d) interest owed;
- e) doubtful debts;
- f) exchange losses;
- g) costs of transfers from the Agency charged by the bank of a beneficiary;
- h) costs declared by the beneficiary under another action receiving a grant financed from the Union budget. Such grants include grants awarded by a Member State and financed from the Union

budget and grants awarded by bodies other than the Agency for the purpose of implementing the Union budget. In particular, beneficiaries receiving an operating grant financed by the EU or Euratom budget cannot declare indirect costs for the period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action.

- i) contributions in kind;
- j) excessive or reckless expenditure;
- k) deductible VAT
- l) expenses for travel to or from countries other than those participating in the project/programme, unless explicit prior authorisation is granted by the Agency.

11.4. Balanced budget

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

The budget must be drawn up in euros.

Applicants for whom costs will not be incurred in euros should use the exchange rate applicable on the month this Call for proposals has been published and accessible on the Infor-euro website at:

http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm

The applicant must ensure that the resources which are necessary to carry out action are not entirely provided by the EU grant.

Co-financing of the action may take the form of:

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

11.5. Calculation of the final grant amount

The final amount of the grant is calculated by the Agency at the time of the payment of the balance. The calculation involves the following steps:

Step 1 — Application of the reimbursement rate to the eligible costs and flat rate contributions

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

Step 2 — Limit to the maximum amount of the grant

The total amount paid to the beneficiaries by the Agency may in no circumstances exceed the maximum amount of the grant as indicated in the grant agreement. If the amount obtained following Step 1 is higher than this maximum amount, the final amount of the grant is limited to the latter.

Step 3 — Reduction due to the no-profit rule

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

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

The total eligible costs of the action are the consolidated total eligible costs approved by the Agency. The revenue generated by the action is the consolidated revenue established, generated or confirmed for

beneficiaries other than non-profit organisations on the date on which the request for payment of the balance is drawn up.

If there is a profit, it will be deducted in proportion to the final rate of reimbursement of the actual eligible costs of the action approved by the Agency.

Step 4 — Reduction due to improper implementation or breach of other obligations

The Agency may reduce the maximum amount of the grant if the action has not been implemented properly (i.e. if it has not been implemented or has been implemented poorly, partially or late), or if another obligation under the Agreement has been breached.

The amount of the reduction will be proportionate to the degree to which the action has been implemented improperly or to the seriousness of the breach.

11.6. Reporting and payment arrangements

11.6.1 Payment arrangements

The beneficiary may request the following payments provided that the conditions of the grant agreement are fulfilled (e.g. payment deadlines, ceilings, etc.). The payment requests shall be accompanied by the documents provided below and detailed in the grant agreement:

Payment request	Accompanying documents
A pre-financing payment corresponding to 50 % of the maximum grant amount	A financial guarantee (if needed, see section 11.6.2)
A second pre-financing payment corresponding to 20 % of the maximum grant amount.	(a) technical report on progress (b) statement on the use of the previous pre-financing instalment (c) financial guarantee (see section 11.6.2)
<p>Payment of the balance</p> <p>The Agency will establish the amount of this payment on the basis of the calculation of the final grant amount (see section 11.6 above). If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the Commission through a recovery order.</p>	(a) a final technical report and declaration on honour and payment request (b) a final financial statement (c) a report of Factual Findings on the Final Financial Report - Type I or Type 2

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

11.6.2 Pre-financing guarantee

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

The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the EU Member States. When the beneficiary is established in a third country, the Agency may agree that a bank or financial institution established in that third country may provide the guarantee if it considers that the bank or financial institution offers equivalent security and characteristics as those offered

by a bank or financial institution established in a Member State. Amounts blocked in bank accounts shall not be accepted as financial guarantees.

The guarantee may be replaced by:

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

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

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

11.7. Other financial conditions

a) Non-cumulative award

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

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

b) Non-retroactivity

No grant may be awarded retrospectively for actions already completed.

A grant may be awarded for an action which has already begun only where the applicant can demonstrate in the grant application the need to start the action before the grant agreement is signed.

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

c) Implementation contracts/subcontracting

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

In the event of implementation contracts exceeding € 60 000, the beneficiary must abide by following additional rules: informing the Agency before proceeding in order to get the approval and national rules on awarding contracts shall apply.

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

Entities acting in their capacity as contracting authorities within the meaning of Directive 2014/24/EU² or contracting entities within the meaning of Directive 2014/25/EU³ must comply with the applicable national public procurement rules.

Beneficiaries may subcontract tasks forming part of the action. If they do so, they must ensure that, in addition to the above-mentioned conditions of best value for money and absence of conflicts of interests, the following conditions are also complied with:

- a) subcontracting does not cover core tasks of the action;

² Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65-242)

³ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.3.2014, p. 243-374)

- b) recourse to subcontracting is justified because of the nature of the action and what is necessary for its implementation;
- c) the estimated costs of the subcontracting are clearly identifiable in the estimated budget;
- d) any recourse to subcontracting, if not provided for in description of the action, is communicated by the beneficiary and approved by the Agency. The Agency may grant approval:
 - (i) before any recourse to subcontracting, if the beneficiaries requests an amendment
 - (ii) after recourse to subcontracting if the subcontracting:
 - is specifically justified in the interim or final technical report and
 - does not entail changes to the grant agreement which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants;
- e) the beneficiaries ensure that certain conditions applicable to beneficiaries, enumerated in the grant agreement (e.g. visibility, confidentiality, etc.), are also applicable to the subcontractors.

d) Financial support to third parties

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

12. PUBLICITY

12.1. By the beneficiaries

Beneficiaries must clearly acknowledge the European Union’s contribution in all publications or in conjunction with activities for which the grant is used.

In this respect, beneficiaries are required to give prominence to the name and emblem of the European Commission on all their publications, posters, programmes and other products realised under the co-financed project. The text, the emblem and the disclaimer must be used and are available at https://eacea.ec.europa.eu/about-eacea/visual-identity_en.

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

12.2. By the Agency and/or the Commission

With the exception of scholarships paid to natural persons and other direct support paid to natural persons in most need, all information relating to grants awarded in the course of a financial year shall be published on an internet site of the European Union institutions no later than the 30 June of the year following the financial year in which the grants were awarded.

The Agency and/or the Commission will publish the following information:

- name of the beneficiary;
- address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level⁴ if he/she is domiciled within the EU or equivalent if domiciled outside the EU;
- subject of the grant;
- nature and amount awarded.

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

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

12.3. Communication and dissemination

To maximise the impact, projects should have a clear and strong strategy for communication and dissemination of their activities and results, and applicants must provide enough time and resources to communicate and interact appropriately with peers, audiences and local communities as appropriate.

At the final report stage, (*as stipulated in the grant agreement*) beneficiaries will be required to produce an updated summary/report of the project. In addition, the beneficiaries will be able to upload the project results to the dissemination platform. This information may be used by the Commission to provide information on the results of projects

The Commission together with the Agency may identify good practices and prepare relevant dissemination materials to be shared within and across all participating countries and beyond.

Data and results from projects will be made freely available to be used by stakeholders, policy makers and others in a wide range of ways.

Beneficiaries may be required to attend and to participate in events organised by the European Commission or the Agency to share their experience with other participants and/or policy makers.

13. PROCESSING OF PERSONAL DATA

The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC⁵.

Unless indicated otherwise, the questions and any personal data requested that are required to evaluate the application in accordance with the call for proposal will be processed solely for that purpose by the Educational and Audiovisual Executive Agency (EACEA).

Personal data may be registered in the Early Detection and Exclusion System by the Commission, should the beneficiary be in one of the situations mentioned in Articles 136 and 141 of Regulation (EU, Euratom) 2018/1046⁶. For more information see the Privacy Statement on: https://eacea.ec.europa.eu/sites/eacea-site/files/privacy_statement-eacea_grants.pdf

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

14.1. Publication

The call for proposals is being published in the Official Journal of the European Union and on the Internet site of the EACEA Agency at the following address:

https://eacea.ec.europa.eu/creative-europe/funding/bridging-audiovisual-and-culture-content-through-digital-eacea062019_en

14.2. Registration in the Participant Portal/ Funding & Tender Portal

Before submitting an electronic application, applicants [and co-applicants] will have to register their organisation in the Participant hosted in the Funding & Tender opportunities Portal and receive a Participant Identification Code (PIC). The PIC will be requested in the application form.

The Funding & Tender Portal is the tool through which all legal and financial information related to organisations will be managed. Information on how to register can be found in the portal under the following address:

⁵ OJ L 295, 21.11.2018, p. 39–98, date of entry into force 11/12/2018

⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018R1046>

<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/participant-register>

The tool also allows applicants to upload different documents related to their organisation. These documents have to be uploaded once and will not be requested again for subsequent applications by the same organisation.

Details on the supporting document that need to be uploaded in the portal can be found at https://eacea.ec.europa.eu/creative-europe/funding/bridging-audiovisual-and-culture-content-through-digital-eacea062019_en under the section *How to apply*

14.3. Submission of the grant application

Proposals must be submitted in accordance with the admissibility requirements set out under Section 5 and by the deadline set out under Section 3.

No modification to the application is allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or to correct clerical mistakes, the Agency may contact the applicant during the evaluation process.

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

Applicants are requested to log in at <https://eacea.ec.europa.eu/PPMT/> and follow the procedure for submitting an application.

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

14.4. Notification and publication of the evaluation results

Applicants should be notified individually of the outcome of the evaluation procedure either by a electronic mail, with a request for acknowledgement of receipt, signed by the Authorising officer or by a letter signed by the Authorising Officer sent as registered document to the legal Representative through the Funding & Tender Portal⁷ at the latest six months after the application deadline. During these six months assessment and selection of applications take place, followed by the adoption of the award decision. Only when these procedures are completed, the lists of selected projects will be published on the Agency website: https://eacea.ec.europa.eu/creative-europe/selection-results_en

The Legal beneficiary will receive an email with the details of how to access the notification letter

Normally the letter notifying the results will be accessible via the Funding & Tenders Portal. If the formal notification in the Portal isn't opened for a period of more than 10 days (for projects) the Agency will consider the formal notification acknowledged.

14.5. Rules applicable

Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 PE/13/2018/REV/1 (OJ L 193, 30.7.2018, p. 1–222).

Regulation No 1295/2013 of the European Parliament and of the Council of 11/12/2013 concerning the implementation of a programme of support for the European cultural and creative sector (CREATIVE EUROPE) and the corrigendum of the 27/06/2014.⁸

➤ Contacts

EACEA-MEDIA-BRIDGING@ec.europa.eu

⁷ <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/participant-register>

⁸ Regulation No 1295/2013 published in the Official Journal of the European Union on the 20/12/2013 (OJ L 347/221) and 27/06/2014 (OJ L 189/260).

➤ **Annexes:**

- **Annex 1: Application Form / Detailed description of the action**
(The Application form on the standard template must be attached to the eForm)
- **Annex 2: Declaration on the applicant's honour**
(The declaration on the applicant's honour must be attached to the eForm)
- **Annex 3: Detailed budget and sources of financing**
(The Budget Form on the standard template must be attached to the eForm)
- **Sample grant agreement**
- **Template of Terms of reference for the certificate on the financial statements**

Appendix
Specific conditions for direct personnel costs

1. Calculation

The ways of calculating eligible direct personnel costs laid down in points (a) and (b) below are recommended and accepted as offering assurance as to the costs declared being actual.

The Agency may accept a different method of calculating personnel costs used by the beneficiary, if it considers that it offers an adequate level of assurance of the costs declared being actual.

a) for persons working exclusively on the action:

{ monthly rate for the person

multiplied by

number of actual months worked on the action }

The months declared for these persons may not be declared for any other EU or Euratom grant.

The **monthly rate** is calculated as follows:

{ annual personnel costs for the person

divided by 12 }

using the personnel costs for each full financial year covered by the reporting period concerned.

If a financial year is not closed at the end of the reporting period, the beneficiaries must use the monthly rate of the last closed financial year available;

b) for persons working part time on the action

(i) If the person is assigned to the action at a fixed pro-rata of their working time:

{ monthly rate for the person multiplied by pro-rata assigned to the action

multiplied by

number of actual months worked on the action }

The working time pro-rata declared for these persons may not be declared for any other EU or Euratom grant.

The monthly rate is calculated as above.

(ii) In other cases:

{ hourly rate for the person multiplied by number of actual hours worked on the action }

or

{ daily rate for the person multiplied by number of actual days worked on the action }

(rounded up or down to the nearest half-day)

The number of actual hours/days declared for a person must be identifiable and verifiable.

The total number of hours/days declared in EU or Euratom grants, for a person for a year, cannot be higher than the annual productive hours/days used for the calculations of the hourly/daily rate. Therefore, the maximum number of hours/days that can be declared for the grant are:

{number of annual productive hours/days for the year (see below)

minus

total number of hours and days declared by the beneficiary, for that person for that year, for other EU or Euratom grants}.

The ‘**hourly/daily rate**’ is calculated as follows:

{annual personnel costs for the person

divided by

number of individual annual productive hours/days} using the personnel costs and the number of annual productive hours/days for each full financial year covered by the reporting period concerned.

If a financial year is not closed at the end of the reporting period, the beneficiaries must use the hourly/daily rate of the last closed financial year available.

The ‘number of individual annual productive hours/days’ is the total actual hours/days worked by the person in the year. It may not include holidays and other absences (such as sick leave, maternity leave, special leave, etc). However, it may include overtime and time spent in meetings, trainings and other similar activities.

2. Documentation to support personnel costs declared as actual costs

For **persons working exclusively on the action**, where the direct personnel costs are calculated following **point (a)**, there is no need to keep time records, if the beneficiary signs a **declaration** confirming that the persons concerned have worked exclusively on the action.

For **persons assigned to the action at a fixed pro-rata of their working time**, where the direct personnel costs are calculated following **point (b)(i)**, there is no need to keep time records, if the beneficiary signs a declaration that the persons concerned have effectively worked at the fixed pro-rata on the action.

For **persons working part time on the action**, where direct personnel costs are calculated following **point (b)(ii)**, the beneficiaries must keep **time records** for the number of hours/days declared. The time records must be in writing and approved by the persons working on the action and their supervisors, at least monthly.

In the absence of reliable time records of the hours worked on the action, the Agency may accept alternative evidence supporting the number of hours/days declared, if it considers that it offers an adequate level of assurance.