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2013 Guide for National Agencies

implementing the

Youth in Action Programme

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# Introduction

In line with the Decision on the Youth in Action Programme 2007-2013[[1]](#footnote-1), Actions are implemented at national level by a network of National Agencies in the framework of centralised indirect management, in accordance with Art. 54 of the Financial Regulation adopted on 25 June 2002 and Art.38 of its Implementing Rules.[[2]](#footnote-2) It should be noted that the related provisions on management modes in the new Financial Regulation adopted on 28 October 2012[[3]](#footnote-3) will apply only as of 1 January 2014 (cf. Art 214(a) of the new Financial Regulation).

The organisation designated as National Agency (NA) by the national authority of the Member State (MS), shall comply with a number of minimum requirements, applicable both to the general structure and functioning of the NA as well as to its management of the project life-cycle. Compliance with these requirements is compulsory to ensure sound management of EU funds.

In addition, National Agencies are responsible for the successful implementation of the Programme at national level, to ensure an efficient management of EU funds. As such, NAs have to accomplish a number of tasks that will contribute to realising a high return on investment of the EU funds that they manage.

The present Guide for National Agencies, hereinafter referred to as “Guide for NAs”, sets out the minimum requirements for the internal control standards applicable to NAs and for the management of the project life-cycle, to ensure both a sound and efficient management of EU funds.

As part of the agreement signed between the Commission and the NA (Commission-NA agreement), the Guide for NAs is contractually binding for NAs. As such, it forms the reference framework for the key controls that will be undertaken by the Commission and the national authority in view of supervising the NA.

The Commission reserves the right to amend the Guide for NAs as appropriate and in accordance with the Commission Decision relating to the respective responsibilities of the Member States, the Commission and the National Agencies in the implementation of the Youth in Action Programme (2007-2013)[[4]](#footnote-4). A NA wishing to deviate from any of the obligations set out in this Guide for NAs shall obtain prior authorisation in writing from the Commission.

As a transitional measure[[5]](#footnote-5), the NA is also responsible for continuing and winding up the management of the decentralised actions under the YOUTH Programme. The NA shall endeavour to apply the rules for the management of the project life cycle set out hereafter in the Guide for NAs equally with regard to the management of these decentralised actions in the course of 2013. However, the rules applicable as of 2013 shall not apply retroactively to the management of actions which have already been finalised before the entry into force of the 2013 version of the Guide for NAs.

Annexed to the Guide for NAs are:

* a glossary with the most frequently used terms in this Guide for NAs and its annexes;
* model and standard documents for NAs (checklists and assessment sheets, grant agreements etc.);
* a set of forms to be used by the NA for its reporting to the Commission. Standards of internal control for NA operations

# Standards of internal control for NA operations

## Ethics and integrity

1. The NA shall take all measures required to guarantee the sound and efficient management of EU funds and to preserve the good reputation of the EU and of the EU Programme they are called to manage at national level.
2. In support of the above, the NA shall have[[6]](#footnote-6) or develop a policy on ethics and integrity, resulting in clear and formalised rules for NA staff members. These rules shall constitute a code of conduct for NA staff and comprise preventive and corrective measures.
3. The rules for NA staff shall cover at least the following areas: prevention of conflicts of interest[[7]](#footnote-7) including a disclosure obligation; use of official information and public resources; working outside the NA; receiving gifts or benefits; dealing with and reporting on irregularities and fraud; whistle blowing.
4. The rules shall clearly establish the rights and obligations of the NA staff in terms of signalling actual or suspected wrongdoing. It shall set out the formal chain of responsibility and procedures to follow, including in terms of reporting to the Commission.
5. NA staff shall be systematically and formally informed of the applicable rules on ethics and integrity, which shall be made binding on them. In addition and as appropriate, the NA shall offer guidance and training to its staff to raise their awareness and common understanding of the rules as well as to give them advice on how to apply the rules in practice.
6. The NA shall systematically inform the Commission of (presumed) cases of irregularity and fraud[[8]](#footnote-8) occurring at NA level.

## NA staffing

### General requirements

1. The NA shall have or be able to use a sufficient staff in number and qualification to deliver quality work in the following areas:

* Information and promotion, as well as dissemination and exploitation of results in all areas of the Youth in Action Programme;
* Project management in all programme actions, in particular with regard to the evaluation of grant applications and counselling/monitoring of beneficiaries;
* Contract and financial management;
* Checks and audits of programme actions;
* Human resource management;
* Office and IT management, in particular management of hard and software for regular office purposes and Programme management tools;
* Internal control and audit.

1. In order to cooperate and communicate effectively with the Commission and the network of National Agencies in the participating countries, NA staff shall have adequate foreign language skills and be able to operate in the working languages of the Commission.[[9]](#footnote-9)
2. In order to deliver high quality work in the areas related to the management of decentralised Actions of the Programme, the related NA staff shall have adequate knowledge of the national and European policy context and of the youth field.
3. The NA may draw on human resource from transversal services of its hosting organisation or, in so far as there is no delegation of budget implementation tasks involved from external bodies for certain tasks related to the implementation of the Programme or the management of the NA.

### Recruitment

1. For the recruitment of staff, the national or statutory regulations of the organisation hosting the NA apply.
2. The recruitment of staff shall be organised in a transparent way (e.g. by specifying selection criteria), ensuring equal opportunities to potential applicants and avoiding possible conflicts of interest.

### Tasks and responsibilities

1. NA staff members shall be adequately informed of their responsibilities and main tasks, as well as of the competences required for the job. They shall be in particular duly informed about the existing rules for delegation and financial responsibility.
2. NA staff members shall be formally notified of the above elements at recruitment stage and whenever major changes occur that affect them directly.

### Training

1. The NA shall ensure that its staff members are competent for the tasks they shall fulfil. To that effect, the NA shall implement an adequate staff training policy.
2. In the case of training provided by the Commission, the NA shall be represented as appropriate.

## Organisational structure

### Internal organisation

1. The NA shall develop and keep up to date an organisation chart (organigramme) detailing names of functions and jobholders. The Commission shall be informed of organigramme changes affecting the management of the Programme as part of the regular NA reporting and ad hoc in the following cases: replacement of legal representative of the NA or NA management staff, change of structure of the NA organigramme.
2. The NA has to be organised in such a way as to have an adequate level of internal control. The NA management shall identify the activities and operations representing the highest risk, in particular in relation to the management of Programme funds, and develop measures that are proportional to the risks run.

### Segregation of duties

1. The NA shall apply the principle of segregation of duties for ensuring a high-quality internal control environment.
2. Overlap between certain functions is incompatible by nature. Thus, an individual member of NA staff cannot be entrusted with the following combinations of duties :

* Counselling of individual potential applicants, evaluating their grant applications and taking grant award decisions in the context of one and the same selection round;
* Authorising payments (electronically or on paper) and recording these payments in the NA accounts;
* Monitoring/counselling of individual beneficiaries, on the spot checks of the same beneficiaries and authorising payments to these beneficiaries;
* Internal audit function and any other function in the NA, i.e. staff in charge of internal audit cannot be involved in any other operational activity of the NA that is potentially subject to internal audit.

### Delegation and supervision

1. The NA shall formally record the rights and obligations of each NA staff member with regard to decisions and actions that they may take in so far as these decisions and actions may result in legal and/or financial commitments[[10]](#footnote-10) for the NA. These rights and obligations shall be clearly assigned and communicated in writing to the persons concerned.
2. The NA shall have adequate supervision arrangements in place, including where appropriate ex post check of a sample of transactions to ensure that the applicable procedures are carried out effectively.

### Business continuity

1. The NA management shall ensure that the necessary conditions and measures are in place to be able to ensure that the core activities required for the management of the programme are maintained and/or resumed as soon as possible in case of a major catastrophic event or situation. Where such conditions/measures do not exist as part of an overall business continuity plan within the NA host organisation, the NA management shall establish them specifically for the purposes of the NA and programme management.

2. The NA management shall ensure that the conditions and measures in place to ensure business continuity are known to and can be applied by all NA staff concerned.

## Documentation of internal procedures

1. The NA shall document its main internal procedures, preferably in a single manual of procedures. This document shall set out the NA methods of operation and management in conformity with the applicable rules and the principles of sound financial management. It shall specify the role of each player in the various management cycles, on the basis of "who does what, at what moment, on the basis of what document".
2. The document shall:

* include the main operational, administrative and financial procedures of the NA;
* cover both the management of the programme actions as well as the various cycles of NA operations (procurement and purchasing cycle, payment cycle, payroll cycle, etc.);
* be coherent as well as regularly revised and updated in the light of changes that occur, such as organisational changes, regulatory changes, etc.;
* be available to all NA staff members.

## Authorisation, recording and correction of exceptions

1. The NA shall ensure that all cases of overriding of controls or deviations from established policies and procedures under exceptional circumstances are documented, justified and approved at the appropriate level before action is taken.
2. A method of dealing with and recording exceptions to main procedures shall be established, including who may authorise such exceptions and how they shall be recorded.
3. Similarly, the NA shall have a clearly defined procedure for the systematic registration and correction where possible of cases of overriding of controls or deviations from main procedures that are discovered ex post.

## Financial management

### Accounting system and management information tools

1. For the management of the EU funds for decentralised programme actions, a computerised accounting system shall be set up that allows for accurate and detailed identification of all grants awarded to beneficiaries of the decentralised programme actions covered by the Commission-NA agreements and of all individual transactions in relation to these grants. Any bank account held in another country than that of the NA can be held only in a country of the European Union.
2. The following transactions shall be registered in the NA accounts:

* EU pre-financing of decentralised action funds received from the Commission;
* amounts of interest received and accrued on EU pre-financing of decentralised action funds;
* payments made to grant beneficiaries distinguishing between pre-financing and balance payments;
* reimbursements received from grant beneficiaries.

1. In addition to the above, the NA shall record the following information in Youthlink:

* budgetary commitments (i.e. maximum grant amounts resulting from grant agreements signed between the NA and the beneficiary);
* payment orders issued, distinguishing between pre-financing and final payments (i.e. amounts of payment to be transferred to grant beneficiaries upon approval by the authorising officer, normally the NA director);
* requests for grant payments (i.e. grant amounts requested by the beneficiaries in their interim/final reports);
* recovery orders issued (i.e. requests for reimbursement of EU pre-financing issued to grant beneficiaries).

1. The NA accounting of the decentralised actions funds shall be held in euro. All financial information in Youthlink shall also be registered in euro.
2. The NA accounting system shall allow to distinguish between on the one hand the EU funds for decentralised programme actions and the related grants and on the other hand any other activity that the NA or its hosting organisation may perform, including those for which they may be awarded operating or project grants by the Commission[[11]](#footnote-11).
3. Each transaction made shall be supported by a sufficient audit trail, regardless of the system in which it is recorded. Supporting documents shall be filed in a consistent and logical fashion (such as chronological numbering, dating, classification by type, etc.) so that their location can be accurately traced on the basis of the computerised accounts.
4. To avoid manual treatment of data for reporting purposes, it is strongly recommended for the NA to put in place an interface between its computerised accounting system and any local management tool on the one hand and Youthlink on the other hand. The NA shall be responsible for the creation and maintenance of any such interface.
5. The NA shall ensure that the data in Youthlink/ are up to date, preferably on a continuous basis and at least by the end of each calendar month.
6. The NA shall reconcile the data on decentralised action funds held in its accounting and any local management system on the one hand and the data registered in Youthlink at least once a month. The NA shall keep a proper audit trail of these monthly reconciliations.
7. The NA shall produce the required financial reports on EU funds for decentralised actions in the format requested by the Commission, both with regard to hard and electronic copies.
8. In the case that payments of EU grants to beneficiaries of decentralised actions will be made in national currency, the translation into Euro for reporting purposes shall be made at the actual conversion rate used by the bank.

### Bank accounts and treasury management

1. The NA shall have two separate bank accounts for receiving the EU funds under the agreements signed between the Commission and the NA under the present Programme: one for the EU payments related to the decentralised Actions and another one for the NA operating grant respectively.
2. The single bank account on which the Commission will transfer the EU funds for the decentralised Actions shall be used for paying the beneficiaries of decentralised Action grants and to receive any reimbursements these beneficiaries have to make to the NA. This single bank account shall be called in Euro and bear interest. It may not be used for the management of any other funds than the EU funds for the decentralised Actions in the context of the Commission-NA agreements under this Programme.
3. Payments of EU funds to beneficiaries of decentralised programme actions shall be made exclusively by bank transfer.
4. An effective treasury management is required, based on the most advantageous market conditions. To that end one or more savings or term deposit accounts that yield a more advantageous interest than the above mentioned single bank account shall be opened. These savings or deposit accounts shall be called in Euro. EU funds for decentralised programme actions not to be transferred immediately to beneficiaries shall be deposited upon receipt on the single bank account on these more advantageous accounts. Amounts deposited shall be transferred back to the single bank account just in time for payment to beneficiaries. After the end of the deposit the principal sum together with the interest earned can be transferred back only to the single bank account.
5. Depending on the national context, it may be necessary for the NA to open in addition a transit account to allow for the transfer of EU funds to savings or term deposit accounts or for the payment of grants to beneficiaries in the national currency. In such case, the transit account shall be used exclusively for that purpose. The amounts passing the transit account have to be transferred further to the savings or term deposit accounts or to the grant beneficiaries on the same day, thus resulting in a zero balance on the transit account at the end of each day.
6. The NA shall disclose the references of all the bank accounts (current, savings or term deposit accounts and transit account if applicable) it uses for the EU funds related to the decentralised Actions. These accounts will further be called the "NA bank accounts". The Commission shall retain the ownership of all funds on the "NA bank accounts".
7. Each year all interest earned or accrued on the "NA bank accounts" shall be declared to and recovered by the Commission on the basis of the information provided thereon in the yearly declaration of assurance issued by the national authority on the probity of the NA accounts.
8. The NA shall reconcile the bank balances in the bank statements of the "NA bank accounts" with the bank balances in the accounting at regular intervals (once a month at least). These reconciliations shall be reviewed and formally approved by the NA management.
9. Operating costs for the bank accounts as well taxes on interest earned shall be covered by the NA operating expenses and cannot be deducted from the EU funds allocated for decentralised or from the amount of interest earned thereon.

## Procurement and subcontracting

1. The NA shall have or develop a formal procurement procedure. Procurement contracts shall be awarded to the tender offering best value for money, that is to say to the tender offering the best price-quality ratio, in compliance with the principles of transparency, proportionality, equal treatment and prevention of conflicts of interest.
2. Except in the case of services involving no delegation of budget implementation, the NA shall not sub-contract any of its tasks related to the implementation of Commission-NA agreements to a third party without the prior written agreement from the Commission or unless expressly provided for in the ex-ante declaration of assurance issued by the national authority and accepted by the Commission.
3. In the case of sub-contracting of NA tasks to a third party, the NA remains entirely responsible for ensuring compliance with the provisions of the Commission-NA agreements and the obligations arising from it.

## IT systems and tools

1. The NA shall use, Youthlink, the IT systems made available by the Commission in view of the management of EU funds for decentralised Actions as well as the required IT tools for communication with the Commission and the network of NAs. To that effect, the NA shall make available or acquire the necessary hard and software and ensure the maintenance services.
2. All exchanges with the beneficiaries, including the conclusion of grant agreements and any amendments , including the conclusion of grant agreements and any amendments thereto, may be done through electronic exchange systems if the system meets the following requirements:
   * only authorised persons may have access to the system and to documents transmitted through it;
   * only authorised persons may electronically sign or transmit a document through the system;
   * authorised persons must be identified through the system by established means;
   * the time and date of the electronic transaction must be determined precisely;
   * the integrity of documents must be preserved;
   * the availability of documents must be preserved;
   * where appropriate, the confidentiality of documents must be preserved;
3. the protection of personal data in accordance with the requirements of Regulation (EC) No 45/2001 must be ensured.
4. The NA shall put in place an adequate IT security policy with due attention for back-up of data and protection from (intentional) damage and natural disasters.
5. Access to computer hard and software shall be restricted to those staff members who really need it and shall be regularly reviewed.

## Document management and filing systems

1. The NA shall put in place an adequate registration system for incoming and outgoing mail covering at least all administrative, contractual and financial management documents. The NA system shall enable the efficient monitoring of deadlines and be accessible to all NA staff concerned.
2. The NA shall have an adequate filing system allowing for systematic and secure filing of documents relevant to NA operations and to the management of the project life cycle of decentralised Actions by the NA.
3. All documents related to the Commission-NA agreements shall be kept on file for 5 years upon the latest of the following: a) the balance payment by the Commission or the reimbursement thereof to the Commission by the NA in relation to any specific Commission-NA agreement, or b) the end of Programme lifetime.
4. If the nature of an original document related to the Commission-NA agreement is digital, the NA may store this document in digital/electronic format. However, if the nature of the original document is paper-based, the NA shall archive this document in paper format.
5. The NA shall ensure that all administrative, contractual and financial information in relation to individual activities supported under the decentralised Actions of the Programme is archived within a single project file. In case use is made of on-line or other electronic tools for the Programme management, access to the information not available in hard copy shall be organised in such a way as to allow easy access to a single project file.

## Infrastructure

1. The volume and quality of the NA premises shall provide for safe and healthy working conditions for NA staff. Sufficient space shall be foreseen for offices, as well as for equipment, filing and meeting facilities. The NA premises shall have easy access to NA staff and visitors, including to persons with a handicap.
2. The NA shall take all measures necessary to avoid losses of data which could jeopardise the continuity of its activities, as well as to prevent unauthorised interventions which could cast doubt on the accuracy and authenticity of the data.
3. The NA shall ensure an adequate visibility of the Programme in and outside the building in which the NA is located, in accordance with the instructions regarding visual identity and use of the Programme logo set out in Annex III.A.

## Internal audit

1. In order to ensure an effective internal control system, the NA shall have in place an independent internal audit function. The internal auditor shall provide the NA management on a regular basis with a detailed appreciation of the general functioning of the NA and of key aspects of its operations, in particular with regard to the management of the decentralised Actions of the Programme. The internal auditor shall check the proper application of the internal control procedures that are in place, report on any weaknesses found and propose corrective measures. The internal auditor shall report directly to the NA director.
2. Depending on its size and needs, the NA or its host organisation may employ a staff member as internal auditor or hire the services of an external expert in order to carry out the internal audit function. The staff member who performs internal audit tasks shall be independent from the audited activities. Any conflict of interest shall be avoided.
3. The internal auditor of the NA shall be different from the body in charge of secondary controls for which the National Authority is responsible.
4. The internal auditor is encouraged to establish a multiannual work programme based on risk assessment of NA activities and taking into account the results of prior internal and external audits.

## Data protection

1. NAs have to respect the Directive 95/46/EC[[12]](#footnote-12) EC Regulation n° 45/2001[[13]](#footnote-13) with regard to the protection of personal data of applicants/beneficiaries under the YIA.
2. In the context of the Youth in Action Programme, the following categories of individuals are considered as data subject:

* person legally authorised to sign the grant agreement on behalf of the applicant/beneficiary organisation;
* person coordinating the project in the applicant/beneficiary organisation;
* person coordinating the project in each partner organisation, as applicable;
* person participating in activities organised in the context of a YIA project.

## Information on means of redress

1. The NA shall clearly inform all applicants and beneficiaries about their right of redress for each NA decision affecting them adversely (e.g. grant award decisions, final grant amount, suspension of payment, recovery, conclusion of primary check).
2. The means of redress shall be clearly indicated on the NA website, as well as in direct exchanges with applicants and beneficiaries. The NA shall specify to whom the information request or appeal should be addressed, by which final date and following which formal procedure.
3. For the establishment of the procedures for redress, the NA shall take due account of the applicable calendar for the use of decentralised funds.

# Management of the project life cycle

## Actions

1. The NA is contractually responsible for the management of the project life cycle of the Actions referred to in the Commission Decision relating to the respective responsibilities of the Member States, the Commission and the National Agencies in the implementation of the Youth in Action Programme.
2. The detailed description of these Actions including the type of activity, the target public, the duration, the financial arrangements (level and type of grant, eligible expenses, maximum rates etc.), and award criteria are set out in the Programme Guide and in the relevant Call for proposals, as well as in the related grant application forms issued by the Commission.
3. In case additional elements are set at national level, the NA shall see to it that they are in full compliance with the above general rules and conditions.

## Call for proposals

(Not applicable under the Youth in Action Programme)

## Information and promotion

1. In order to reach a maximum of potential applicants in a non-discriminatory way, the NA shall develop an information and promotion strategy taking into account national and regional specificities as well as programme actions specific requirements.
2. In addition to the publication of specific Calls for proposals, the NA shall develop information and promotion material that will be conducive to attracting a sufficient number of interested applicants so as to guarantee a genuine competition between good quality applications.
3. The NA shall set up and keep up to date a Programme website providing all necessary information on the Programme and its Actions. This includes in particular access to the Programme Guide, to EU and national Calls for proposals, application forms, contact points for further information and counselling, as well as all relevant information and useful links, including to the EU Programme website.
4. The NA shall establish and develop contacts with the media and the various sectors of education and training to ensure wide dissemination of information on the possibilities offered by the Programme.
5. The NA shall organise conferences, meetings, seminars and other events with the aim of ensuring publicity and visibility for the Programme.
6. The NA shall cooperate with the Commission, where necessary, through involvement in the European Union stands at events relevant to the Programme (trade fairs, exhibitions, conferences, launch days, etc.).
7. For all the events and activities it organises and in all publications and materials it produces, the NA shall comply with the instructions and guidelines relating to the visual identity of the Programme and the logo provided by the Commission (see Annex III.A of this Guide for NAs). The NA shall take special care to give clear visibility to the Programme in particular when the organisation hosting the NA also administers other schemes or fulfils other functions than the Programme implementation tasks as NA.

## Counselling of potential applicants

1. The NA shall provide information, advice and assistance to potential applicants throughout the process of project planning. To that effect, the NA shall make information material available and organise meetings, which will take due account of the specific needs of the target public of each decentralised Action.
2. The NA shall assist potential applicants in finding partners and in developing and consolidating transnational partnerships and networks between the various players in the Programme, including the organisation of information meetings and international contact seminars.

## Reception and registration of grant applications

1. The NA shall register all grant applications submitted to it for the closing date specified in the Call for proposals. Any application sent or handed in after the closing date for a given selection round shall be registered as well, but shall be rejected at the formal eligibility check.
2. Grant applications submitted in hard copy shall be dated on receipt. Proof of the sending date (e.g. retention of envelope or registration of on-line application) shall be kept for two years after the end of the selection round concerned.
3. All applicants shall be issued an acknowledgement of receipt mentioning the registration number of their application in the NA’s follow-up system, as well as NA contact details.
4. The minimal data specified by the Commission shall be entered on all grant applications in the management tool required by the Commission.
5. The NA shall accept modifications or complements of information with regard to specific grant applications sent spontaneously by applicants until the closing date of the selection round concerned.
6. Modifications or complements of information sent to the NA after the closing date for the selection round concerned and that change the nature of the grant application by providing new essential elements shall be disregarded during the grant award process.

## Grant award procedure

### General principles

1. The award of grants shall be organised on the basis of a peer review system - that is with the help of independent experts - in a fully transparent way guaranteeing impartiality and equal treatment to all applicants.
2. The grant award decision shall be based solely on the criteria for exclusion, eligibility, selection and award pre-announced in the Programme Guide and the relevant Call for proposals.
3. The grant award procedure shall foresee that any actor involved in any stage of the award process shall sign a formal statement on the prevention of conflicts of interest and disclosure of information in relation to the given selection round. The declaration shall follow the model text provided in Annex II.A to this Guide for NAs.
4. All the stages in the grant award process shall be formally documented. To this end the NA shall develop standardized checklists and assessment grids, in accordance with the models provided in Annex II.B to this Guide for NAs. For those actions for which common European checklists and assessment forms are provided by the Commission, the NA shall use these checklists and forms as such (cf. forms in Annex II-B to this Guide for NAs).
5. Each of the actors in the grant award process shall perform their assessment individually and independently. They will each use a separate assessment form and date and sign it upon completion.
6. In view of an homogenous quality assessment and fair grant award proposal, the NA shall inform all actors involved in the grant award process and in particular external experts duly about the decentralised Action concerned and give them adequate training on the applicable grant award rules. Depending on the complexity of each decentralised Action, the NA will provide written guidelines as necessary.

### Evaluation of grant applications

1. Where, due to an obvious clerical error on the part of the applicant, the applicant omits to submit evidence or to make statements, the NA shall ask the applicant to provide the missing information or clarify supporting documents. Requests shall be made in writing, notifying the final date for submission of missing information. This shall apply to both the formal eligibility check and quality assessment stages,
2. Such information or clarifications shall not substantially change the nature of the grant application.

#### Formal eligibility check

1. The aim of the formal eligibility check is to check whether all grant applications comply with the exclusion criteria and the eligibility criteria[[14]](#footnote-14) pre-announced in the Programme Guide, the relevant Call for proposals and the application form applicable to the selection round concerned.
2. The formal eligibility check shall result in a list of grant applications that will be further subject to a quality assessment and a list of grant applications rejected on formal grounds.
3. In case of doubt with regard to any of the exclusion or eligibility criteria, the NA may request further proof from the applicant (e.g. on date of submission) or from other competent instances (such as chambers of commerce, courts etc.) in respect of applicable privacy protection rules.
4. The formal eligibility check of any type of grant application may be undertaken by a single NA staff member.

#### Quality assessment of grant applications

1. All grant applications that have successfully passed the formal eligibility check shall undergo a quality assessment on the basis of the selection criteria and the award criteria[[15]](#footnote-15) pre-announced in the Programme Guide and the relevant Call for proposals applicable to the selection round concerned.
2. The outcome of the quality assessment and – when required - financial capacity check shall be a list of proposals sorted either in order of individual merit or in blocks of comparable quality levels, with a proposed grant amount by grant application.
3. For the quality assessment of all programme actions, the assessment may be undertaken by a single NA staff member.
4. In view of proposing an adequate grant amount, a formal assessment of the grant request in relation to the activities proposed shall be made. On the basis of this assessment and the grant allocation rules, a grant amount shall be proposed for each grant application that is of sufficient quality to receive a grant. The assessment of the grant request and the calculation of the proposed grant amount may be undertaken either by a NA staff member or an external expert.

#### Evaluation committee

1. In view of preparing the grant award decision, the NA shall establish an evaluation committee that will prepare a grant award proposal for each selection round.
2. One or several evaluation committees may be designated for the various decentralised Actions managed by the NA. Evaluation committees may be designated for specific selection rounds or for a specific period of time.
3. An evaluation committee shall consist of at least 3 members. The members should represent at least 2 organisational entities with no hierarchical link between them. The latter condition does not apply if the evaluation committee consists only of NA staff and there are no such distinct organisational entities within the NA.
4. The evaluation committee shall work in accordance with formal rules of procedure, which shall be decided by the NA and formally communicated to the members of the evaluation committee before it starts working. The rules of procedure shall detail at least the working method of the evaluation committee as well as formal rules for decision taking.
5. The members of the evaluation committee shall be called to a meeting in view of preparing the grant award proposal. However, they may be consulted exceptionally by written procedure if necessary for organisational reasons and if provided for in the rules of procedure of the evaluation committee.
6. The evaluation committee shall work from the list of grant applications sorted in order of merit as a result of the quality assessment and shall acknowledge the results of the formal eligibility checks. It shall make a proposal for grant applications to be accepted, rejected or put on a reserve list, based on their quality. Any departure from this principle shall be duly justified and documented. To this end, the rules of procedure of the evaluation committee shall provide an objective method for dealing with grant applications of the same quality level (e.g. assessment by a third expert).
7. For each of the grant applications placed on the acceptance and reserve lists – which may only contain grant applications of a sufficient quality to be funded - the proposed grant amount shall be specified.
8. Upon completion of their work, the members of the evaluation committee shall sign a record listing all the grant applications examined and the proposed grant amounts. This record shall be kept for future reference until 5 years after the closure of the related Commission-NA agreement.

#### Grant award decision

1. The grant award decision shall be taken by the person or body who is legally authorised to sign grant agreements on behalf of the NA. In case this person or body intends to delegate this authority to another NA staff member for reasons other than substitution in the case of absence, a prior written agreement shall be obtained from the Commission.
2. The grant award decision shall be based on the grant award proposal prepared by the evaluation committee and shall specify at least :

* The subject and the overall amount of the decision;
* For approved applications: the name of the beneficiary, the title of the granted activity, the grant amount awarded and the reasons for this choice, in particular where it departs from the opinion of the evaluation committee;
* For applications put on the reserve list: the name of the applicant, the title of the activity applied for, the grant amount to be awarded in case the application could be financed at a later stage, and the reasons for this choice, in particular where it departs from the opinion of the evaluation committee;
* For rejected applications: the name of the applicant, the title of the activity applied for and the reasons for rejection.

1. The grant award decision shall be dated and signed and kept for future reference until 5 years after the closure of the related Commission-NA agreement.
2. If the grant award decision departs from the grant award proposal made by the evaluation committee, the document shall provide a clear justification underlying the departing decision.
3. The person taking the grant award decision shall ensure that the necessary checks have been undertaken to guarantee that:

* One and the same activity may result in the award of only one grant to any one beneficiary;
* A grant may be awarded for an activity which has already begun only where the applicant can demonstrate the need to start the activity before the grant agreement is signed. In such case, expenditure eligible for financing may not have been incurred prior to the date of submission of the grant application;
* No grant is awarded retrospectively for activities already completed at the time of submission of the grant application.

### Prevention of conflicts of interest

1. Neither the NA nor its staff members may apply for grants from EU funds which the NA Youth in Action manages under any Commission-NA agreement. This also applies for other support structures of the programme, including SALTOs, Eurodesks and ex-EVS structures. Other actors in the grant award process may not receive a grant under the selection round in which they participate.
2. The declaration on the prevention of conflicts of interest and disclosure of information may be signed as a separate document by each participant in the selection round concerned or may be integrated in the standard checklists and assessment grids to be used by the actors in the award process.
3. External experts assisting the NA in the grant award process shall be selected following a transparent procedure, preferably through an open call for tender.
4. Persons who have a function in the supervision of the NA cannot take part in the grant award process.
5. A person who has participated in the formal eligibility check of a grant application in the selection round concerned shall not have a decision-making role in the evaluation committee, but may be called upon to provide information to the evaluation committee.
6. The person taking the grant award decision may participate as an observer, but shall not have a voting right in the evaluation committee.

### Notification of grant award results to the applicants

1. The NA shall inform all applicants of the outcome of the grant award process and, in the case of successful grant applications, of the grant amount awarded before the start of the activities for which support has been requested. This notification shall be done in writing, by means of a letter or the grant agreement not later than six months from the final date for submission of the grant applications.
2. In case of programme actions requiring formal consultation between NAs in the participating countries before the final grant award decision can be taken, the NA may choose to inform its applicants of the results of the national pre-selection procedure. In such case, due care shall be taken to specify the provisional and non-binding character of the information provided to applicants.
3. The notification of applicants placed on the list of rejected applications or on the reserve list shall follow within fifteen calendar days after the award decision has been notified to the successful applicants. If the grant application is not approved, the NA shall give the reasons for rejection, with reference to the pre-announced criteria and priorities. Applicants placed on the reserve list shall be notified of the final date by which they may be offered a grant agreement for the selection round concerned.

### Ex-post publication

1. Within six months of the end of each selection round, the NA shall make the grant award results public. For programme actions with rolling deadlines, grant award results may be published at 6-monthly intervals. This shall be done at least via a publication on the NA web site, and may also be done in its newsletter, in the national press etc.
2. The following information shall be published with the agreement of the beneficiary:

* The name and address of the beneficiary;
* The subject of the grant (i.e. Action, title and summary of the supported activity);
* The grant amount awarded and, if applicable, in the case of grants totally or partly based on lumps sums and/or scale of unit costs, maximum co-financing rate of the cost.

1. In view of the protection of personal data, the above detailed publication of grant award results is not required in relation to grant agreements issued directly to individual persons. In such case, the NA shall publish the grant award results globally, indicating the number of successful grant applications for the selection round, the total sum awarded to the beneficiaries and describing the type of activities funded in a general way.
2. As far as personal data referring to natural persons are concerned (e.g the info related to the data of legal representative or contact person), the information published shall be removed two years after the end of the financial year in which the funds were awarded. The same shall apply to personal data referring to legal persons for whom the official title identifies one or more natural person.
3. In the framework of its yearly report (see NA reporting chapter below), the NA shall notify the Commission of the web address at which the grant award results are published. The NA or national Programme website – in countries with more than one NA – shall have a single entry point to the grant award results for all decentralised Actions managed at national level, to which the Commission will establish a link from its own Programme website.

## Grant agreements

### Types of grants

1. Grants may take the form of a lump sum, a flat-rate grant based on a scale of unit costs, or the reimbursement of a percentage of eligible real costs. Depending on the grant type, a combination of all or some of these types of grant support is possible.
2. The Programme Guide, Calls for proposals and application forms shall set out which (combination of) types of grant apply to which decentralised Actions. These rules shall apply as such for grants awarded by NAs.
3. In the case of (the part of) a grant awarded on the basis of eligible real costs, the beneficiary shall keep and be able to produce upon request proof of expenditure related to the expense items based on real costs.
4. In the case of grants awarded as a lump sum financing, the beneficiary has to be able to prove the reality of the activity for which grant support is awarded rather than the actual amount of expenditure. If the supported activity is realised in a satisfactory manner, the full grant amount is acquired. In the case of underperformance, the NA will normally require reimbursement of (part of) the grant awarded on the basis of the criteria laid down for each decentralised Action.
5. In the case of flat rate grants using scales of unit costs (for example maximum daily rates for subsistence), the beneficiary does not have to justify the costs incurred but has to be able to prove the reality of activities resulting into the entitlement to a specific grant amount (for example the number of days spent abroad determine the maximum per diem amount to which one is entitled for the stay).
6. Beneficiaries shall keep records, supporting documents, statistical records and other records related to a grant for five years upon the payment of the balance of the grant by the NA or upon reimbursement thereof by the beneficiary. If the grant awarded is lower or equal to € 60.000, the record keeping obligation is three years.
7. Beneficiaries have to keep the required proofs of payment or activity – depending on the type of grant – for 5 years upon payment of the balance of the grant by the NA or reimbursement thereof by the beneficiary.

### Issuing of grant agreements

1. The NA shall prepare its grant agreement models on the basis of the model texts enclosed in Annex II.D of this Guide for NAs.
2. If required by national legislation, the NA may introduce minor changes to the model texts provided that these do not conflict with any of the provisions of the model agreements and that they do not introduce unnecessary restrictions for grant beneficiaries. Where such national adaptations are deemed necessary, the NA shall obtain prior written authorisation from the Commission.
3. For grant amounts exceeding € 60.000[[16]](#footnote-16) and if the applicant is not a public body, the NA shall formally check the financial capacity of the applicant Programme. A model for the assessment of the financial capacity is provided in Annex II.C of this Guide for NAs
4. In case the analysis of the financial capacity of a beneficiary has revealed certain weaknesses that result in the risk of EU funds being lost, the NA shall include a special clause in the grant agreement detailing the protective measures (e.g. fractioned payments, full payment of the grant upon completion of the Action, financial guarantee, etc.). A financial guarantee on pre-financing may only be required on a case–by-case basis subject to a risk analysis. The NA shall not require a financial guarantee in the case of grants lower than or equal to EUR 60.000.
5. Grant agreements shall be issued in two copies. They may be sent to beneficiaries in hard copy or in electronic format. If the NA decides to issue the grant agreement in electronic format, it shall protect the electronic documents adequately from potential modification by beneficiaries.
6. When issuing a grant agreement, the NA shall send an accompanying letter or message stating the final date by which the signed agreement is to be returned to the NA, after which the grant offer is cancelled.
7. In case the beneficiary wishes to introduce changes to the grant agreement, s/he shall not alter the text of the grant agreement but introduce a separate request thereto to the NA. In case the NA agrees with the proposed changes, it shall issue a modified grant agreement proposal to the beneficiary. If not, the grant agreement offer shall be deemed cancelled unless the beneficiary is still prepared to accept the conditions of the initial grant agreement proposal.
8. The two copies of a grant agreement shall be signed and dated by the beneficiary before being signed and dated by the NA. As last of the signing parties, the NA shall send one copy of the grant agreement signed and dated by both parties to the beneficiary and keep the other copy for the NA. Grant agreements shall be signed by both parties in respect of the calendar for use of decentralised funds (cf. Annex of the COM-NA Agreement) and no later than three months from the grant award notification to successful applicants. Provided that the underlying Commission-NA agreement has been signed by the NA and the Commission, the NA shall send successful applicants the grant agreement offer before the start of the activities for which grant support has been requested.
9. In the case of EU Member States, the NA shall use one of the official EU languages in grant agreements and in written communication with beneficiaries about contractual issues.
10. In the case of EFTA/EEA countries or acceding or candidate countries, the NA may choose to use one of the official EU languages or the official language of its country for grant agreements and contractual correspondence with beneficiaries. In the event that the language chosen is not one of the official EU languages, the NA shall be in charge of providing translations of good quality at the request of the Commission, the European Court of Auditors, OLAF or any persons mandated by either institution undertaking an evaluation, financial control or audit on their behalf.

### Grant payments

1. The NA shall make payments in Euro or in the national currency depending on which of both ensures the most cost-effective terms of payment to the beneficiaries. However, in particular in the case of grant amounts exceeding € 60.000 and if enforceable taking into account the legal status of the beneficiary, the NA is strongly recommended to require the beneficiary to open a bank account in euro in order to avoid exchange rate risks on pre-financing payments.
2. EU grants are payable in full to the beneficiaries. The NA may not make any deductions whatsoever there from for direct or indirect taxes, fees, social security, contributions or administrative, management or registration charges.
3. The NA shall apply the payment conditions as set out in the agreement model texts provided by the Commission for the different types of decentralised Actions (cf. Annex II.D).
4. Provided that the treasury situation of the EU funds received on the "NA bank accounts" allows it with regard to the payment obligations that the NA has in relation to the open COM-NA agreements, the NA shall transfer grant payments to beneficiaries within
   1. 30 calendar days of the triggering event (e.g. signature of grant agreement, request for payment) or
   2. 60 calendar days of the triggering event (e.g. request for payment) when the amount of payment is subject to an approval of a report or certificate or
   3. 90 calendar days of the triggering event (e.g. request for payment) when the amount of payment is subject to approval of a report or certificate that is particularly complex to evaluate.

The list of the applicable deadlines for each Action is available in the Calendar for the Use of 2013 Decentralized Actions Funds.

N.B. The same deadlines apply to all the grant agreements issued as of 1 January 2013 regardless of whether they are funded from the 2012 or 2013 COM-NA Agreement.

1. Unless other specific payment conditions apply to the decentralised Action concerned (cf. Programme Guide, Call for proposals, application form), the total amount of pre-financing payments shall not exceed 80% of the maximum grant amount.
2. On expiry of the period for payment specified in the grant agreement, the beneficiary is entitled to interest on the late payment at the rate applied by the European Central Bank for its main refinancing operations in euro, plus three and a half points. The reference rate to which the increase applies shall be the rate in force on the first day of the month of the final date for payment, as published in the C series of the Official Journal of the European Union[[17]](#footnote-17). This provision shall not apply to recipients of a grant which are public authorities of the Member States of the European Union.
3. Interest on late payment shall cover the period from the final date for payment, exclusive, up to the date of payment, inclusive. The interest shall not be treated as a receipt for the action for the purposes of determining the final grant. The suspension of payment by the National Agency may not be considered as late payment.
4. By way of exception, when the interest calculated is lower than or equal to EUR 200, it shall be paid to the beneficiary only upon demand submitted within two months of receiving late payment.
5. By way of exception, for grant agreements issued before 1/1/2008, the contractual provisions relating to interest on late payments remain applicable as stipulated in the grant agreement.

### Amendment of grant agreements

1. The beneficiary or the NA may request an amendment of the grant agreement in accordance with the contractual provisions as set out in the model grant agreement texts (see Annex II.D).
2. The beneficiary has to submit any request for an amendment to the grant agreement in writing to the NA. The NA shall examine, in each case, whether or not the amendment request can be accepted and shall inform the beneficiary of its decision in writing. A verbal agreement shall not be binding on the parties.
3. Depending on the type of amendment, the modification to the grant agreement may be confirmed by a formal letter signed solely by the NA or by a supplementary agreement to be signed by both parties in the same manner as applicable to the signing of the initial grant agreement (see section on issuing grant agreements above).
4. Any request for amendment submitted by the beneficiary shall be received by the NA in good time, before any changes are planned to take effect, and in all events one month before the end of the eligibility period as outlined in the grant agreement, except in cases duly substantiated by the beneficiary and accepted by the NA. To be valid, any amendment to a grant agreement shall be issued by the NA before the end date of the grant agreement concerned.
5. Amendments to grant agreements may not have the purpose or effect to call into question the grant award decision or be contrary to the equal treatment of applicants. Thus, amendments with the purpose of increasing the maximum grant amount or co-funding percentage are authorised only if the NA puts in place a transparent procedure guaranteeing the equal treatment of all applicants/beneficiaries. This may be done by informing all beneficiaries of the possibility of applying for an increase of the grant amount and of the applicable conditions.

## Checks of grant beneficiaries

### Primary checks

1. The NA shall give assurance on the reality and eligibility of the activities supported with EU funds as well as on the legality and regularity of the underlying operations. To that effect, the NA shall undertake so-called "primary checks".
2. The primary checks to be undertaken by the NA in relation to programme beneficiaries consist of the following types:

* Analysis of final reports;
* Desk check of supporting material submitted by beneficiaries at final report stage;
* On the spot check during the implementation of a supported activity;
* On the spot check (audit) undertaken upon completion of a supported activity;
* Systems audit of recurrent beneficiaries.

1. Depending on the type of decentralised action and the type of grant awarded, different types of primary checks may be combined in relation to the risk levels and control objectives as set out in Annex III.B.

### Selection of beneficiaries/projects for desk and on the spot checks

1. The type and number of primary checks to be undertaken by the NA shall be based on a risk analysis. The risk analysis shall take account of the risk of error within each decentralised action managed by the NA. Every year, the Commission shall issue a document that provides the minimum percentages and minimum numbers of beneficiaries/projects to be checked by the NA for each decentralised action, see Annex III.B.
2. For each type of primary checks that is required for the decentralised action concerned, the NA shall select a sample of the beneficiary population in accordance with the instructions provided in Annex III.B.
3. In relation to the checks of beneficiaries/projects of decentralised action grants awarded under the predecessor programmes and the management of which has been transferred to the NA, the minimum numbers and percentages set out in Annex III.B apply to the extent that the type of grant (in terms of grants based on real costs, lump sum grants or flat rate grants based on scales of unit costs) and contractual rules remain the same for the successor decentralised action under the YIA. In the opposite case, the required minimum numbers and percentages of beneficiaries/projects to be checked set out in the relevant decentralised action agreements remain unchanged.
4. In order to get sufficient assurance that the final reports reflect reality and eligibility of activities and expenses and that the underlying transactions are legal and regular, the NA may decide to increase the number of checks taking into account the risks involved in the national context as well as the results of checks undertaken in the past.
5. In addition to the sample of beneficiaries/projects referred to above, the NA shall undertake checks of beneficiaries/projects on the basis of specific problems noted or suspected, depending on the seriousness of each case.
6. Every year, the Commission will establish a maximum tolerable error rate[[18]](#footnote-18) for primary checks, cf. Annex III.B. The following situations may occur for one or several decentralised actions:

* the actual error rate resulting from the checks that the NA shall undertake is significantly higher than the maximum tolerable error rate set by the Commission: the NA shall immediately inform the Commission of this situation in order to agree on the introduction of appropriate measures[[19]](#footnote-19);
* the actual error rate is consistently and significantly lower than the maximum tolerable error rate set by the Commission: the NA may request the Commission for a reduction of the minimum percentages and/or number beneficiaries/projects to be checked for the decentralised actions concerned;
* In both above cases, the Commission will notify the NA formally of its decision, with copy to the National Authority.

### Formal requirements

1. The grant agreements shall specify the types of checks to which the beneficiary may be subject and has to agree with as a consequence of accepting the grant offer.
2. The NA shall keep a record of all checks of decentralised actions undertaken and of all errors detected, in view of reporting thereon to the Commission in accordance with the reporting requirements set out in this Guide for NAs.
3. The NA shall make use of standardised checklists for all types of checks of decentralised actions that it is required to undertake. The checklists shall:

* provide evidence of the elements checked;
* describe anomalies found;
* contain a conclusion and proposal for follow-up.

1. Every person involved in the checks of decentralised actions shall sign at least once a year a declaration on the prevention of conflicts of interests and the disclosure of information (cf. model declaration in Annex II.A).
2. Every person involved in the checks shall be given a separate checklist that shall be dated and signed upon completion of the assessment.

### Assessment of final reports

1. Any beneficiary of a decentralised action grant shall be required to submit to the NA a final report per grant agreement. The final report will serve to establishing the final amount of the EU grant and issuing the final grant payment or recovery order, as well as to closing the grant agreement administratively. The NA shall check 100% of final reports for all decentralised actions.
2. Grant beneficiaries shall make use of the standard report forms issued by the NA. The report forms shall allow for the collection of content related, statistical and financial data required for the monitoring of programme implementation, for the check of the use of EU funds and for the evaluation of programme results, as established by the Commission.
3. The NA shall record in its registration system the date of receipt of the reports from beneficiaries in order to be able to monitor the treatment of the reports and the respect of time limits set in the grant agreements, as well as to send reminders as and when required.
4. The report assessment shall consist of the following stages:

* a check of the formal receivability of the report (e.g. report duly signed and dated by the legal representative of the beneficiary organisation);
* an evaluation of the activity report relating to the results of the supported activity in terms of their quality and quantity, including a check of the reality and eligibility of the activity, and
* a check of the financial statement and the required supporting material as appropriate, in view of assessing the reality and eligibility of the expenses reported as well as the legality and regularity of underlying transactions. The specific checks will be adapted to the type of grant (in terms of grant based on real costs versus lump sums grants or flat rate grants based on a scale of unit costs or any combination of these three types of grant).

1. The same person may undertake the various stages of the final report assessment. If desirable, the NA may call upon external experts for the final report assessment.
2. Final report checklists shall indicate any amounts considered ineligible and the final amount of EU grant proposed, in respect of the predefined contractual rules. The checklists shall contain a formal conclusion as to the approval or rejection of the report and indicate the necessary follow-up measures if any.
3. In case the NA has signed several grant agreements with the same beneficiary for different projects, the NA shall undertake the necessary checks to prevent double funding.
4. The assessment and approval of the report shall be finalised with respect to the deadlines for payments as set out in paragraph 3.7.3.4.b for actions based on lump sums and scale of unit costs and in paragraph 3.7.3.4.c. for actions based on real costs. These deadlines shall be suspended in case the NA needs to request further information from the beneficiary or needs to undertake complementary checks before being able to finalise the assessment of the report and closing the grant agreement.
5. As soon as the assessment is finalised, the NA shall notify the beneficiary in writing of the outcome thereof in terms of approval or rejection of the final report. The closure letter shall state the final amount of the EU grant, the resulting amount of balance payment or recovery as well as the conditions for reimbursement when necessary. The letter shall also specify the means of redress l in case the beneficiary disagrees with the conclusions of the NA. The beneficiary shall have 30 calendar days of receipt of the closure letter to submit any queries or complaints to the NA. The NA shall have 30 calendar days of receipt of the query or complaint to treat it and to revise the final grant amount if applicable and inform the beneficiary accordingly.
6. In the case of no- receipt of a final report due, the NA shall send at least a formal reminder within 30 calendar days of the deadline. If the final report is not received within 30 calendar days after this reminder, the NA shall send a notification by registered mail cancelling the grant and requesting the reimbursement of the full amount of pre-financing payment(s).
7. The same procedure applies in case of non-receipt of an interim/progress report due, according to the provisions of the standard grant agreements for the actions concerned.

### Desk checks of supporting material

1. At final report stage, the NA shall undertake a desk check of supporting material of a sample of beneficiaries/projects in accordance with the minimum numbers and minimum percentages set per type of decentralised action in Annex III.B.
2. Depending on the type of action and inherent risk involved, a desk check of supporting material may be required for all or part of the grant agreements involved. In case that a desk check of supporting material is required only for part of the grant agreements, the NA shall select the random sample upon receipt of the final reports, in accordance with the instructions provided in Annex III.B. To the random sample, the NA shall add known or presumed problem cases that require a more detailed control in order to obtain the necessary assurance.
3. Normally, the NA shall request originals for all documents requested for the desk checks of supporting materials. In exceptional circumstances only (i.e. legal reasons preventing the beneficiary to provide originals, electronic supporting documents legally allowed), desk checks of supporting material can be made on the basis of copies.
4. Upon review of the supporting documents the NA shall establish the final grant amount and proceed to the balance payment or recovery, as well as to the closure of the grant agreement as set out above (cf. section on assessment of final reports). If required, the NA may decide to undertake further desk or on the spot checks (see hereafter) before deciding on the final grant amount and proceeding to the closure of the grant agreement.

### On the spot checks

1. The NA shall undertake a number of on the spot checks of beneficiaries/projects in accordance with the minimum percentages and minimum numbers set per decentralised action in Annex III.B.
2. The NA shall ensure that on the spot checks are undertaken by persons with the necessary competences, in particular as regards the checking of financial and accounting records. External experts may be involved if required or deemed useful, provided that any conflict of interest is duly prevented. For the same reason, an on the spot check shall be undertaken by another person than the one who has assessed the final financial statement for the grant agreement concerned.
3. Different types of on the spot checks exist:

* On the spot check during the implementation of a supported activity;
* Financial audit after the receipt of the final report;
* Systems audit of a recurrent beneficiary.

1. The NA may combine:

* An on the spot check during the implementation of a supported activity with a monitoring visit (see section on monitoring visits hereafter);
* An on the spot check during the implementation of a supported activity with a systems audit of a recurrent beneficiary;
* A financial audit after the receipt of a final report with a systems audit of a recurrent beneficiary.

1. On the spot checks require a careful preparation and organisation. A financial audit after the receipt of a final report can only be announced to the beneficiary after the actual reception of this report by the NA. In case of an on the spot check *during the implementation* of a supported activity, the check shall be announced with a short notice period before the planned date of the visit. *Systems audits* may be announced to the beneficiary a long time before the planned visit date.
2. The NA shall announce on the spot checks in a formal way to the beneficiary so as to explain the purpose of the check, agree on practical arrangements, identify the required interlocutors and supporting materials so as to ensure their presence and availability during the on the spot check. In view of preparing the visit, the NA shall send to the beneficiary:

* a list detailing the documents, materials and information to be prepared or made available for inspection;
* a questionnaire that will allow the check to be carried out in an efficient way and may have to be completed by the beneficiary in advance of the visit.

1. At the end of the on the spot check, feedback on the findings shall be given to the beneficiary, who shall be invited to give his/her first comments. Within 30 calendar stays after the visit, the NA shall send its draft visit report including findings, recommendations and conclusions to the beneficiary. The beneficiary shall be given 30 calendar days to comment on the draft report in relation to matters of fact or interpretation.
2. In the case that the balance payment has not yet been made and if the on the spot check – that is organised immediately after the receipt of the final report – reveals no problem in relation to the requested final grant amount, the NA shall transfer the balance payment to the beneficiary as soon as the above draft visit report is ready.
3. When the NA receives feedback from the beneficiary within the given deadline, it shall amend the draft report either by accepting the comment and/or factual modifications, or by explaining why it cannot accept the comments or modifications. The beneficiary's comments and the NA reasons for not accepting them may be either integrated in the visit report or annexed to it.
4. Within 30 calendar days after the reception of the comments made by the beneficiary, the NA shall issue the final report and formally communicate it to the beneficiary. The report shall clearly specify:

* any amounts of expense (to be) covered from the EU grant identified as ineligible;
* any amounts due for reimbursement, accompanied by the reimbursement conditions, and
* any other weaknesses – based on the decentralised action specific requirements – requiring a follow-up by the beneficiary, within a concrete timeframe.

1. In the absence of a reaction from the beneficiary to the draft report within 30 calendar days of dispatch by the NA, the draft report shall be considered final and be formally communicated to the beneficiary as above.
2. In case an on the spot check is undertaken simultaneously with a monitoring visit (see monitoring visit section below), two different persons shall be in charge of the monitoring visit and the on the spot check respectively. The different functions of the two aspects of the visit shall be made clear to the beneficiary from the preparation stage on. In case a single visit report is drafted on both aspects, the report shall clearly distinguish between the monitoring and the control aspects of the visit.

## Recovery of EU funds from beneficiaries

1. Once the NA has calculated and established the amount receivable from any beneficiary – either as the result of a normal final report treatment or following further desk or on the spot checks – the NA shall formally notify the debtor thereof, either within the draft closure letter or by a separate letter. Depending on the situation the NA may find it useful to send the notification by registered letter or any other means allowing to checking that and when the notification has been received by the debtor.
2. The notification letter states the amount due for reimbursement and provides the necessary details on the calculation of the final grant amount. It sets out the procedure for contestation, providing a maximum period of 30 calendar days of receipt for appeal. It sets out the recovery mechanism that will be applied in the case of acceptance of the reimbursement due by the debtor.
3. Within 30 calendar days of receipt of the appeal, the NA shall analyse any additional information received from the debtor, and notify the beneficiary of its decision, of the revised final grant amount and the amount due for reimbursement, as well as of the recovery mechanism that will be applied. This period of 30 calendar days can be suspended if further supporting elements are requested from the beneficiary.
4. The NA may choose between the following recovery mechanisms as appropriate and depending on the nature of each individual case.

### Recovery by offsetting

1. If the NA is managing several grant agreements with the same beneficiary over the same or successive periods, it can recover funds through offsetting. In such case the NA informs the beneficiary that the amount due for reimbursement will be deducted by the NA from a payment underway or from a future payment.
2. The NA is required to keep rigorous accounting records, given that the amount receivable and the payment might correspond to two different decentralised Actions and/or two different Commission-NA agreements.

### Recovery of small amounts receivable

1. If the amount due is less than or equal to 200€ and there is no further grant agreement with the beneficiary that would permit the NA to proceed by offsetting, the NA is allowed not to proceed to the establishment of any potentially receivable amount if the cost of the procedure to recover the amount due exceeds the amount due (cost-effectiveness principle).
2. The NA shall establish a transparent and fair system ensuring equal treatment for the waiver of recovery orders up to a maximum € 200, based on the cost-effectiveness principle. The system shall be documented and authorised at the appropriate level in the NA.

### Direct recovery

1. In its formal notification letter, the NA shall request the execution of the reimbursement within a period of two months of the dispatch date of the letter. If the NA decides to shorten the notice period for specific and duly justified reasons, it shall record the case as an exception in accordance with section 2.5 of the present Guide for NAs.
2. If the debtor has not reimbursed the sum due within the period set by the NA, the NA shall send a first reminder requesting an immediate repayment of the sum due. The sum due shall bear interest at the rate indicated in the agreement with the beneficiary and the formal notification letter. Interest on late payment shall cover the period between the date set for payment, exclusive, and the date when the NA receives full payment of the amount owed, inclusive. This provision shall not apply to recipients of a grant which are public authorities of the Member States of the European Union. Any partial payment shall first be entered against charges and interest on late payment and then against the principal. The NA shall report on late payment interest recovered from debtors in the Yearly NA report.
3. If the debtor has not reimbursed the sum due within one month after the dispatch date of the first reminder letter, the NA shall send a second reminder by registered mail requesting an immediate repayment of the sum due and explaining that non-compliance with this request may result in legal action against the debtor referring to the applicable contractual rules.
4. If, at the expiry of the third period of formal notice, the NA has not succeeded in recovering the sum due from a debtor, the NA shall notify the Commission thereof in writing, either:

* informing of its intention to pursue legal action to recover the funds, or
* requesting authorisation to waive the recovery. In this case, the letter shall be accompanied by a full description and evidence of the measures already taken to recover the funds (e.g. registered letters), plus an explanation of why the amount is either unrecoverable (e.g. extract from bankruptcy register) or why the effort and expenses involved cannot be justified.

1. The Commission may authorise the waiver of a recovery order above 200€ only in a limited number of cases, in particular when:

* The cost of the procedure to recover the amount due exceeds the amount due (cost-effectiveness principle);
* The debtor is obviously insolvent (bankrupt, in liquidation, etc.);
* The debtor is missing;
* In other exceptional cases, on the basis of a substantiated request from the NA, in accordance with the principle of proportionality.

1. If the NA wishes to abandon the claim concerned, it informs the Commission thereof in writing, using the form provided in Annex IV-E to this guide. In case of acceptance, the Commission shall give its explicit authorisation in writing for a total or partial abandonment of the amount concerned. In the absence of a formal authorisation from the Commission, the NA is not allowed to abandon the claim.

## Dealing with irregularities and frauds

1. The NA shall take appropriate measures to prevent irregularities and fraud and if necessary bring prosecutions to recover Programme funds lost, wrongly paid and incorrectly used by beneficiaries of a EU grant awarded in the framework of a Commission-NA agreement.
2. The notion of irregularity is the following: any infringement of a provision of EU law or any breach of a contractual obligation resulting from an act or omission by an economic operator, which has, or would have, the effect of prejudicing the general budget of the European Communities or allocations managed by them, by an unjustified item of expenditure[[20]](#footnote-20).
3. The notion of fraud[[21]](#footnote-21) is the following:

* in respect of expenditure, any intentional act or omission relating to: the use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of funds from the general budget of the EU or budgets managed by, or on behalf of, the EU; non-disclosure of information in violation of a specific obligation, with the same effect; the misapplication of such funds for purposes other than those for which they were originally granted;

- in respect of revenue, any intentional act or omission relating to: the use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the illegal diminution of the resources of the general budget of the EU or budgets managed by, or on behalf of, the EU, non-disclosure of information in violation of a specific obligation, with the same effect, misapplication of a legally obtained benefit, with the same effect.

1. In case the NA presumes substantial errors, irregularities or fraud, the NA may suspend the implementation of the grant agreement or payments in order to verify whether presumed cases have actually occurred. If they are not confirmed, implementation shall resume as soon as possible. However, a formal contradictory procedure with the beneficiary concerned is compulsory before suspension of implementation or payments.
2. Where audit or control findings demonstrate systemic or recurrent errors, irregularities or fraud attributable to the beneficiary who has been awarded a number of grants under similar conditions, the NA may extend and apply the findings to all the grants concerned. A formal contradictory procedure with the beneficiary before suspension of implementation or payments is compulsory.
3. The NA shall report any case of irregularity or (suspected) fraud in relation to EU funds for decentralised Actions under the Commission-NA agreement, regardless of whether the act is committed by a Programme beneficiary or by a NA member of staff.
4. However, where an irregularity (error/negligence) detected by the NA a) is corrected before the final payment is made to the beneficiary, b) does not result in any administrative or judicial penalty, and c) does not cause prejudice to the EU’s financial interests, the NA does not need to report the irregularity to the Commission. In such cases, the National Agency shall keep nevertheless an accurate track in its files of the facts detected and the corrective measures taken.
5. The NA director shall send the initial ad hoc irregularity report to the Director in charge of the Programme within DG EAC and a copy thereof to the contact person within DG EAC.
6. In addition, the NA shall keep the Commission informed of its monitoring and follow-up of irregularities and fraud on a regular basis as part of its yearly reporting (see section6 on NA reporting hereafter).

## Monitoring and support to beneficiaries

1. The NA shall monitor the implementation of granted Programme activities and support beneficiaries in the form of counselling and advice. Thus, the NA shall develop a coherent monitoring strategy providing for a structured approach, adequate methods and tools based on the needs of the various Programme target groups.
2. In countries where more than one NA has been designated for the management of the various decentralised Actions of the Programme, the distinct NAs shall closely cooperate for the organisation of monitoring activities, in order to ensure the necessary coherence between the different decentralised Actions at national level.

### Desk monitoring

1. The NA shall make the necessary resources available to give advice by phone, e-mail and letter to beneficiaries seeking help. The contractual documents shall provide the necessary contact details of the desk officers in charge of specific programme actions, as well as how and when they may be contacted.
2. Based on individual requests for advice, the NA shall establish and keep up to date lists of frequently asked questions which can be put on the NA website, sent by e-mail or regular mail to all beneficiaries concerned.
3. The NA may create an electronic forum on its website to which beneficiaries may send their questions and get a direct reply from the NA. Such forums may be open to the general public or take the form of an extranet restricted to those having a password.

### General monitoring meetings

1. The NA shall organise on a regular basis group meetings for beneficiaries of decentralised actions. Such meetings shall be organised at least once a year for each decentralised Action covered by the Commission-NA agreement. At such monitoring meetings the NA shall provide advice both with regard to the implementation of the decentralised Action as well as to grant management and contractual reporting.
2. In order to maximise the impact of the Programme, beneficiaries’ attention shall be drawn to the need to exploit the results of the granted activity effectively. Practical advice thereto shall be provided at monitoring meetings.
3. The NA shall provide the necessary expertise for these monitoring meetings and involve former beneficiaries to share their experience and best practice with new beneficiaries.
4. In order to limit the cost for beneficiaries of attending meetings with the NA, regional meetings can be envisaged. NAs may themselves organise and attend regional meetings or make use of their network of promoters, local educational authorities etc. In such case, the NA shall provide regular training to its local and regional contact points, to ensure that correct information is passed on to beneficiaries.
5. Beneficiaries may use part of their EU grant to cover the costs related to attending a monitoring meeting.

### Monitoring visits

1. The NA shall implement a programme of on site visits in view of monitoring the implementation of individual projects and thereby of the decentralised Action as a whole.
2. Monitoring visits are required for all decentralised Actions covered by the Commission-NA agreement.
3. Monitoring visits shall focus on collecting information on qualitative aspects of Programme management and on the effectiveness and impact of the granted project on the beneficiary (institution/organisation). The visits shall be used to support the beneficiary, gather and disseminate examples of best practice and establish/maintain good relations between the beneficiary and the NA.
4. Monitoring visits can take place at any moment during the lifetime of a supported activity. Contrary to an audit visit, a monitoring visit is not necessarily related to a specific grant agreement and may cover a different period of time.
5. To ensure a balanced spread of the sample of beneficiaries to be monitored, the selection criteria shall include at least the following:

* the size of the beneficiary institution/organisation, ensuring a fair mix between large, medium and small ones;
* the type of beneficiary institution/organisation, depending on the national specificities of the sector;
* the geographical spread throughout the country;
* the level of EU grant awarded.

1. In addition to the above, the NA may wish to add its own criteria, thereby seeking to establish a random sample of all the beneficiaries concerned by the Programme Action. Furthermore, a monitoring visit may be considered necessary in consequence of the beneficiary’s past difficulties or in response to current problems, as well as it having been the subject of other monitoring and/or audit visits by the NA, the Commission or any other (inter)national body.
2. Monitoring visits may be undertaken by NA staff in charge of administering the decentralised Action concerned and/or by external experts hired to that effect by the NA. Due measures shall be taken to prevent potential conflicts of interest, in particular as regards the involvement of external experts.
3. In case a monitoring visit is organised simultaneously with an on-the-spot check (see section 3.8.6 above), the role of the team members in charge of the audit shall be clearly separated from the activities of the person(s) in charge of the content monitoring.
4. Monitoring visits require an equally careful preparation and organisation as on the spot checks (see section 3.8.6 above).
5. The actual monitoring visit is organised on the basis of a draft agenda agreed in advance with the beneficiary institution to ensure that all issues to be reviewed can be properly covered. At the end of the visit, a first oral feedback shall be given to the beneficiary institution.
6. Within one month after the visit, the conclusions and points identified for follow-up shall be formally communicated to the project/Action coordinator within the beneficiary institution. The institution is given the opportunity to comment on the draft report in relation to matters of fact or interpretation.
7. When comments are received from the institution, the draft report is either amended if the comments/factual modifications are accepted by the NA or the institution’s response is included under a separate section of the final report. At that stage, the final report is sent formally to the head of the institution. The report shall clearly specify any points for follow-up within a concrete timeframe.
8. Depending on what is deemed appropriate, the report from the visit may be disseminated through different channels with the purpose to spread good examples and best practices in working methods. Reports may be published on the NA website, discussed in conferences and seminars and the outcomes from the reports can be used to feed into recommendations and guidelines to the institutions in the sector concerned to help them improve the work they do within the Programme Action.

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## Dissemination and exploitation of Programme results

### Principles

1. The NA shall develop a consistent policy in view of an effective dissemination and exploitation of results of activities supported under the decentralised Actions of the Programme.
2. The NA shall undertake to identify the potential target audiences in the country and their respective needs.
3. The NA shall put in place a mechanism to identify activities particularly worth being disseminated and exploited, focusing on the evaluation of quality and transfer potential of supported activities.
4. The NA shall systematically gather results from activities undertaken with Programme support and make them available to potential users.
5. The NA shall provide the Commission with the requested data on the results of supported activities in the required format.
6. To maximise the exploitation of results of supported activities and thus the impact of the Programme at national level, the NA shall develop networks and/or use existing networks of stakeholder bodies and organisations which may play an active role in multiplying and transferring the results achieved by Programme beneficiaries.
7. The NA shall organise and attend suitable events in order to identify, showcase and debate Programme results.

### Publication of Programme results

1. Programme beneficiaries shall be motivated to clearly describe the results of the supported activities and publish them on the internet. The NA shall establish links from its website to websites of beneficiaries with interesting activities and results.
2. The NA is encouraged to use databases in which beneficiaries can input and update their project results themselves. Contact details of former beneficiaries and links to their results should be regularly updated.
3. In addition to its yearly report to the Commission on Programme implementation in the country, the NA shall exploit the data collected on the basis of reports from beneficiaries and of its own monitoring activities for the benefit of the target groups that it will have identified. Such publications shall adequately address the respective target groups. The reports shall be published on the NA website and made available to the respective target groups in any other suitable manner. The Commission will establish a link to the relevant web address provided by the NA in its yearly report to the Commission.

# Management of centralised programme actions

1. The NA has no formal responsibility with regard to the management of the centralised activities of the programme, which falls in the scope of competence of the Executive Agency.
2. As a consequence the NA is not required to organise information and promotion activities nor to advise and counsel potential applicants with regard to the centralised actions of the programme. However, in the context of its general information/promotion activities, the NA may provide basic information on the centralised actions. In the case of questions from individual (potential) applicants, the NA shall take care to refer to the Executive Agency with regard to any issue that may have a legal, administrative or financial bearing.
3. NAs may be invited, on a rotating basis, to selection committees organised by the Executive Agency.
4. The NA has an important role to play with regard to the dissemination and exploitation at a national level of the results of activities supported under the centralised programme actions. The Commission together with the Executive Agency will ensure that the NA will be provided with the necessary information on the supported projects under the centralised activities of the programme in order to be able to establish contacts with the project participants for these purposes.
5. Neither the legal entity representing the NA nor its staff members are eligible for project grants under the centralised actions of the Youth in Action Programme. Other parts of the legal entity hosting the NA are eligible for participation in the centralized actions of the programme provided that there is no conflict of interest with the legal entity in its role of NA.
6. Any information that the NA may receive regarding centralised actions managed by the Executive Agency shall be kept confidential. The NA shall not publish or disseminate information received in this context without obtaining the formal agreement of the person/organisation concerned – coordinator or partner in a centralised project (application) - and shall ensure that the rules applicable to personal data protection[[22]](#footnote-22) are respected.

# Use of EU funds

## General principles

1. The Commission-NA agreement includes the EU funds destined for Programme beneficiaries under the decentralised Actions managed by the NA as well as the EU contribution to NA operating costs.
2. Transfer of funds in either direction is not allowed between the sums allocated for the decentralised Actions and the NA operating grant respectively. Amendment requests relating to such transfers will not be considered regardless of the level of absorption of either type of EU funds.

## NA operating grant

1. As the EU contribution to NA operating costs is allocated in the form of an operating grant based on lump sum financing, the Commission will not check on the individual expenses covered by the grant but on the outputs and performance realised by the NA in relation to the minimum requirements set out in the Specifications for the NA work programme and in the present Guide for NAs.
2. Any interest generated on the operating grant will not be the subject of recovery by the Commission.
3. In addition to the EU contribution, the NA shall receive the necessary resources from the national authority to undertake the NA work programme agreed with the Commission and the national authority.
4. The use of the NA operating grant will be in respect of the principles of sound financial management.

## EU funds for decentralised Actions

1. The Commission-NA agreement defines the overall maximum amount of decentralised action funds allocated from the budget year concerned, as well as the amounts allocated to each of the Actions of the Programme. The NA shall respect the calendar for the use of decentralised funds annexed to the agreement.
2. The amounts set by each of the decentralised Actions of the Programme shall be used primarily to support the Actions concerned. However, depending on the availability of quality applications within each of the Actions of the Programme, a limited transfer of maximum 25% of the amount allocated to each of the Actions of the Programme may be applied. For transfers of over 25% the NA shall submit a prior written request for a formal amendment of the Commission-NA agreement to the Commission.
3. The NA shall set up a fair and transparent system for the reallocation of funds in case of funds remaining unused by grant beneficiaries, funds transferred between the amounts allocated to the programme actions or any additional funds made available to the NA from the EU budget. In no case the NA shall allocate additional funds to grant beneficiaries in view of increasing the grant amount ex-post for activities already completed.
4. EU funds recovered by the NA from grant beneficiaries may be re-used in view of supporting other activities under the decentralised actions of the programme. In such case, the NA shall see to it that the dates specified for the various decentralised actions are fully respected as set out in Annex I of the Commission-NA Agreement.
5. The NA shall not transfer EU funds for decentralised actions between successive Commission-NA agreements. Funds remaining unused after the final dates set out in Annex I of the Commission-NA Agreement will be recovered by the Commission following analysis of the related NA reports and closure of the Commission-NA agreement concerned.

## National co-funding for decentralised actions[[23]](#footnote-23)

1. National co-funding is defined as national funds that are made available by a participating country in addition to the EU funds to support decentralised programme Actions and the management of which is entrusted to the NA.
2. The participating country decides which decentralised Actions may be supported with national co-funding. National co-funding is used to supporting a higher number of activities or grants under the programme.
3. The NA shall manage national co-funding in respect of national and European legislation, including the EU Financial Regulation. The rules established for the management of the decentralised Actions in the programme guide, calls for proposals, Guide for NAs and other reference documents, thus apply to the actions supported.
4. The NA shall manage all applications received under a given programme call for proposals in an identical way and in respect of the applicable rules, in order to ensure equal treatment of applicants regardless of the source of funding.
5. The NA shall use the EU standard grant agreement for all Actions supported under the programme regardless of the source of funding. If the national authority authorises the NA to use EU and national co-funding as one total amount for the decentralised action(s) concerned, the NA needs not to distinguish between EU funding and national co-funding in the grant agreements signed with beneficiaries.
6. The NA shall request the beneficiary to report on the use of the grant in compliance with EU rules and using the EU forms.
7. The NA shall record the report data in the programme management tool in the same way for all grant agreements managed regardless of their source of funding.
8. The NA shall report on the use of the relevant national funds in the Yearly NA Report subject to the Yearly Declaration of Assurance. The reporting on programme actions benefitting from national co-funding will be identical to that on actions supported exclusively by EU funds.
9. The NA shall undertake the minimum number and percentage of checks of beneficiaries based on the whole population of grant agreements managed under the programme regardless of their source of funding.
10. In order to establish the final amount of EU contribution for decentralised actions based on the Yearly NA Report, the Commission will apply the following approach:

* If the NA has paid out to beneficiaries an eligible amount that equals or exceeds the maximum EU contribution for the COM-NA agreement concerned, the maximum EU contribution is acquired and no EU funds are recovered by the EC;
* If the NA has paid out to beneficiaries an eligible amount that is less than the maximum EU contribution for the COM-NA agreement concerned, the difference will be recovered for the EU budget.
* The contractual limits for transfers between sectoral programme budgets apply only to the EU contribution for decentralised actions as defined in the COM-NA agreement.

1. In so far as access to the NA accounting and treasury management information is needed to establish proper use of EU funds, the Commission, the European Court of Auditors, OLAF and anybody charged by them to carry out checks on their behalf have access to the NA accounting records and relevant bank accounts (e.g. to check that the same action/expense is not double funded by EU and national funds respectively, to check on potential fraud cases etc.).
2. EU funds and national funds have to be managed on separate bank accounts. EU rules for treasury management (see section 2.6.2) apply only to the bank account to/from which the EU decentralised action funds are transferred. The NA has to declare only interest earned on EU pre-financing, which will be subsequently recovered by the EC.
3. The NA shall apply analytical accounting in such a way that the use of EU funds and national co-funding can be followed individually in the NA accounting system. Within the programme management tool Youthlink, however, the NA does not have to distinguish between funding from EU and national sources at individual project level if the national authority authorises the NA to use EU and national co-funding as one total amount for the action(s) concerned.

# National Agency reporting and contractual modifications

## Yearly NA Report

1. The NA shall prepare a Yearly NA Report on the previous calendar year, in accordance with the report forms provided in Annex IV-A to this Guide for NAs. In accordance with the YIA COM-NA agreement, it shall be drafted in English, French or German.
2. The Yearly NA Report shall cover the final report requirements with regard to the decentralised action agreements concluded under the Youth Programme for which the final report is due after 30/6/2007.
3. The Yearly NA Report consists of four main parts:

* A declaration by the legal representative of the NA;
* Activity report: in which the NA shall report on the implementation and the results and impact of the programme in its country, as well as on its own performance and compliance in view of the minimum requirements defined in the Commission-NA agreement. The Activity report shall be completed with the required statistical data;
* Financial reports: the NA shall provide financial data in relation to the agreements and bank accounts managed in the previous calendar year;
* Report on checks of beneficiaries: the NA shall report on its approach, main findings and follow-up of checks of beneficiaries, including cases of irregularities and fraud, recovery orders and other specific cases set out in the report form.

1. By 28 February at the latest, the NA shall send the Yearly NA Report on the previous calendar year to its National Authority in charge of establishing the Yearly Declaration of Assurance.
2. The National Authority shall send its Yearly Declaration of Assurance to the Commission by 30 April at the latest, with all parts of the Yearly NA Report attached thereto. The NA shall see to it that the National Authority receives both hard and electronic copies of all parts of the Yearly NA Report in the required format in view of a complete paper and electronic transmission to the Commission.
3. The NA management shall see to it that the Yearly NA Report is complete, correct and coherent.
4. In view of possible future checks and audits, the NA shall keep a clear audit trail of the process followed to prepare the Yearly NA Report. In particular, it shall establish a file with all relevant documents and keep trace of all checks undertaken and actors involved in the preparation of the Yearly NA Report. Notably, due attention shall be paid to proof of reconciliation between NA bank account data and NA accounting files, as well as between NA accounting data and the data in the programme management tool (notably Youthlink).

## Quarterly reports

1. In accordance with Article 4.3 of the Commission-NA agreement, the NA shall submit to the Commission a quarterly report summarising the financial transactions for decentralised action grants made with the funds of the Agreement.
2. Quarterly reports shall be established for any Commission-NA agreement until all payments due to beneficiaries under the related Commission-NA Agreement have been implemented by the NA. For that purpose, the NA shall use the report form provided in Annex IV.B of this Guide and shall submit each quarterly report by the 15th of the month following the quarter subject to reporting.
3. The NA request for the second pre-financing payment in relation to the decentralised action funds must be accompanied by a statement summarising the financial transactions made with the funds of the Com-NA Agreement. For this statement, the NA shall use quarterly report form included in Annex IV.B of the Guide.
4. Both for the regular quarterly reports as well as for the second pre-financing payment requests, the NA shall send an original report dated and signed by the NA legal responsible by regular mail for the attention of the contact person in the Commission to the address mentioned in Article 7 of the Commission-NA agreement, together with an accompanying letter specifying whether it concerns a regular quarterly report or a third pre-financing payment request respectively.
5. In addition, all quarterly reports shall be sent in Excel format to the functional mailbox NA-DESK-YOUTH[@ec.europa.eu](mailto:EAC-LLP-NA-reports@ec.europa.eu), in order to facilitate the exploitation of data by the Commission services for budget monitoring and accounting purposes.

## Ad hoc reports on cases of irregularity or fraud

1. In accordance with Section 3.9 of the present Guide for NAs, the NA shall report any case of irregularity or (suspected) fraud in relation to EU funds for decentralised actions under the Commission-NA agreement, regardless of whether the act is committed by a programme beneficiary or by a NA member of staff.
2. In such case, the NA director shall send the initial ad hoc irregularity report to the Director in charge of the programme within DG EAC and a copy thereof to the contact person within DG EAC. The ad hoc report shall be made using the template provided in Annex IV.D to the present Guide for NAs.

## Amendment requests

1. Any amendment request has to comply with the provisions of Article 19 of the Commission – NA Agreement.
2. Any request for amending any Article of the Agreement should be introduced by formal letter indicating the reference number of the Agreement and signed by the legal representative of the NA. The letter should be addressed to the Commission contact person.
3. Specifically in case of a change of the name or address of the Agency or of its legal representative, the formal request, signed by the legal representative and addressed to the Commission legal representative, should be accompanied by the Legal Entity form[[24]](#footnote-24), accompanied by supporting official documents.
4. In the case of any change related only to the NA bank accounts (e.g. following a change of bank etc.), it is sufficient to provide the related financial identification sheet(s) and supporting bank abstracts. In relation to changes to NA bank accounts, the financial management rules set out in Section 2.6 of this Guide for NAs shall be fully respected.
5. For any other amendment request, the NA should in the first instance consult the NA desk officer in charge in unit EAC-E-2. Depending on the change requested, the NA desk officer will clarify with the NA whether a formal amendment is required and if so, whether any further documents have to be provided.

## Request for waiving a recovery order

1. In accordance with Section 3.9 of the present Guide for NAs, the NA shall request prior formal authorisation to the Commission in view of abandoning any recovery order exceeding € 200.
2. In such case, the NA director shall send the request using the template provided in Annex IV-E to the present Guide for NAs, including the requested support documents.

## Report on interest earned

1. In accordance with the COM-NA agreement, the NA shall report by 15 January N+1 on all interest earned in the year N on EU pre-financing for decentralised actions.
2. For this report, the NA shall complete Annex IV-F of the present Guide for NAs and send it in electronic format by 15 January N+1 to [EAC-YIA-NA-reports@ec.europa.eu](mailto:EAC-YIA-NA-reports@ec.europa.eu).

# Youth in Action

## The supportive approach

1. Based on the principles laid down in section 3.4., the supportive approach consists of guiding both potential applicants and grant beneficiaries of the Programme through all phases, from the first contact with the Programme through the grant award procedure to the project implementation and the final report stage.

2. This principle cannot be in contradiction with the grant award procedure set out under section 3.6 of this Guide. However, it is based on the idea that in order to guarantee equal opportunity to everybody, it is necessary to give more assistance to some groups of young people through advising, counselling, training, monitoring, and coaching systems.

3. Therefore, an important principle of the Youth in Action Programme is the provision of assistance, training and advice for the applicants at different levels.

4. The NA shall ensure that the approach referred to in this chapter is implemented in compliance with the principles set out in section 2.3.2 and shall adapt its organisational structure accordingly.

5. Whereas the NA, due to its size or other duly justified reasons, cannot adapt its organisational structure as laid down in section 2.3., it shall still ensure that the above principles are fulfilled and that all grant requests are evaluated on an equal basis and according to the highest standards of transparency. All NA staff shall therefore sign a declaration on the prevention of conflicts of interests as mentioned under section 3.6.3.2. for participants in selection rounds. Such a declaration shall encompass all possible conflicts of interest in all phases of project lifecycle[[25]](#footnote-25). Additionally, in such cases, the evaluation committee shall not consist only of NA staff.

## The European Training Strategy of the Youth in Action Programme

1. The European Training Strategy of the Youth in Action Programme has been developed as an instrument to implement the supportive approach. Being supportive towards young people, youth organisations, youth workers and all those involved in youth work also means providing training and support with the objective of helping project promoters to improve the quality of their projects and in the long run the overall quality of the Youth in Action Programme, as well as to contribute in general to the development of capabilities of civil society organisations in the youth field.

2. The European Training Strategy of the Youth in Action Programme is one important element of a coherent quality approach of the Programme, which includes training and communication measures, recognition of non-formal learning activities, co-operation of all actors and applied youth and educational research activities.

3. The NA shall therefore ensure that its staff regularly participate in dedicated training activities, be they provided by the Commission or by other Programme structures such as SALTO or another NA, in order to effectively fulfil the obligation referred to in section 2.2.4.

## The Inclusion Strategy of Youth in Action

1. As outlined in the Programme Guide of Youth in Action, an important priority of the Commission is to give young people with fewer opportunities access to the Youth in Action Programme. Being supportive towards young people also means to take measures to make the Programme accessible for younger people with fewer opportunities.

2. In close cooperation with the National Agencies and the SALTO Resource Centres, the European Commission has established an Inclusion Strategy aiming to: ensure the accessibility of the Youth in Action programme for young people with fewer opportunities, as well as to stimulate the use of the Youth in Action programme as a tool to enhance the social inclusion, active citizenship & employability of young people with fewer opportunities and to contribute to social cohesion at large.

Young people with fewer opportunities are young people that are at a disadvantage compared to their peers because they face social, economic, disability, educational, cultural differences, health or geographical situations and obstacles.

3. Inclusion projects are of two types:

* consciously include young people or youth workers with fewer opportunities as active participants in a project (providing tailor-made preparation, support, monitoring and follow-up for them);
* have a clear thematic focus on inclusion (on one or more of the situations/obstacles described above) and aim to improve the situation through awareness-raising, or working towards projects with young people with fewer opportunities (e.g. in Action 4.3 Training and networking, in exchange of good practices, etc).

These two kinds of projects are both of high importance but they have to be counted and monitored separately.

4. The NA shall provide tailor-made support to the promoters of inclusion projects at all stages of the project cycle, in line with the approach outlined in section 7.1.1.

5. To do this effectively, the NA must have the expertise in a wide range of special needs (socio-economic, educational, disability, social exclusion, discrimination, etc.) or be able to access it externally.

With no prejudice of principles set out in section 3.6.2.3.3., the evaluation committee should have a good knowledge of the different groups of young people with fewer opportunities.

6. The committee should treat the applications for inclusion projects as a priority. The NA can choose to give higher priority to projects involving young people who face several obstacles/situations.

7. When assessing grant applications, particular emphasis needs to be put on:

* analysis of the profile and special needs of the young people;
* a corresponding tailor-made approach;
* learning potential;
* linguistic support;
* pedagogical competence and/or inclusion experience of the promoter;
* involvement of the young person;
* solid partnership between all project partners;
* thorough follow-up plan which could benefit the young persons’ personal and professional pathways.

8. The NA should monitor which types of groups with fewer opportunities apply and which groups are not reached yet. Special efforts to reach out to underrepresented groups with fewer opportunities are strongly encouraged.

9. Similarly, the NA should monitor the range of inclusion themes addressed in Youth in Action inclusion projects, and stimulate and/or prioritise inclusion projects about unaddressed topics.

In order to be able to fill in the report forms attached in Annex IVA, the NA shall keep statistics on the number of inclusion projects within the Youth in Action programme, the number of young people with fewer opportunities that participated and the kind of obstacles/situations they face.

10. The NA shall pay special attention to the evaluation and follow-up of projects involving young people with fewer opportunities to identify success factors and encourage long-term approaches.

11. The NA shall appoint one staff member to coordinate the implementation of inclusion as a horizontal priority across all Actions, and to be the NA's contact person for inclusion projects and Commission/SALTO communications regarding inclusion, etc.

12. The NA is also requested to make the best possible use of the SALTO Inclusion Resource Centre publications, resources and training courses on setting up projects with young people with fewer opportunities: [www.salto-youth.net/inclusion/](http://www.salto-youth.net/inclusion/) and promote them to relevant organisations and youth workers.

Special orientation and guidance for informal youth groups involving young people with fewer opportunities should be organised on a regular basis by National Agencies and/or their partners.

13. All criteria for the different Actions are laid down in the Programme Guide or in specific Calls for Proposals, which are the basis for the grant application. Any inclusion-related flexibility (e.g. in terms of age, procedures, etc.) as well as financial incentives are clearly defined in the Programme Guide. No deviation from the rules established by the Programme Guide shall be allowed.

14. Exceptional costs are designed to provide extra support for the special needs of young people with fewer opportunities and/or with special needs in Youth in Action projects. There is no exhaustive list of what can be considered as eligible exceptional costs. The NA enjoys discretion to decide on what to accept as eligible exceptional costs and to which extend to fund them. However, the NA has to seek a maximum of transparency in granting exceptional costs and ensure equal treatment of all applicants who are in the same situation.

15. The step-by-step approach, which encourages subsequent participation of young people with fewer opportunities in projects in different Actions, is strongly recommended.

16. Training for organisations/projects on how to establish adapted educational content and which methods to use when doing activities with young people with fewer opportunities should be organised by the NA within the context of the Training and Cooperation Plans.

## Protection and safety of participants

Protection and safety of young people participating in Youth in Action projects is an important principle of the programme. The NA shall promote good practice and raise awareness about risk and safety issues through training sessions, seminars and by using existing "Guidelines for good practice".

## Programme implementation at regional level

1. In order to ensure the recognition of national specific contexts, the Commission decision C/2007/1828 final in its article 9, defines the possibility for Members States to establish regional structures directly subordinated to the respective National Agency and assisting them in the programme implementation. In application of this decision, the following paragraphs provide National Agencies with further details.

2. The participation of regional structures is optional and the decision to use them is solely the responsibility of the Member State when designating the National Agency, in conformity with other relevant EC rules.

In relation to the different domestic contexts, the scope of the regional structures’ participation may vary but shall remain within the general framework defined in the aforementioned Commission decision and as precised hereunder.

The role and related resources allocated to regional structures shall be precisely defined and agreed in writing between the National Agency and the regional structures. The Commission shall be kept informed of the agreements between the National Agency and the regional structures as well as of any changes on this matter.

5. In as far as they contribute to the programme implementation, all obligations defined in the Guide for National Agencies are equally applicable to the regional structures.

6. The National Agency takes responsibility vis-à-vis the Commission for the activities carried out by the regional structures and, therefore, should ensure adequate supervision over them. A methodology of supervision should be developed, included in the Manual of Procedures and implemented. The National authority should inform the Commission accordingly.

7. The participation of regional structures may reinforce the visibility and accessibility of the programme in the concerned Member States. However, it should in no event weaken the quality of the programme implementation, most notably, as far as equal treatment of applicants and training of the regional staff are concerned. Moreover, adequate information and reporting systems should be put in place, enabling the National Agency to have a complete overview of the programme implementation and to report to the Commission, accordingly and when required by the later.

8. In application of article 9.2 of Commission decision C/2007/1828 final, the regional structures depending on the terms of their agreements with the NA:

* may take part to information and counselling activities;
* may receive and register project applications;
* may perform project evaluations, for part or all of each relevant programme action and individual project;
* may realise project monitoring, for part or all of each relevant programme action and/or individual project;
* shall not take decisions concerning project selections;
* shall neither take part in the financial management of grants (i.e. issuing grant agreements, paying beneficiaries…) nor take actions having financial consequences (i.e. analysis of final payment…);
* shall not realise primary controls as defined in section 3.8 of this Guide.

9. Management of grants, including financial management and project reporting, are solely tasks of the National Agency.

## Implementation of the Actions of the Youth in Action Programme

### Projects selection

Important principles to be respected at during the phase of projects selection:

* NAs must verify all eligibility criteria relevant for each given Action/sub-Action, using the "eligibility grids" provided as annex to this Guide.
* NAs cannot disregard one or more criteria, nor introduce additional one(s). E.g. a project cannot be considered ineligible because it does not respect the geographical balance in terms of participants (while still respecting its minimum and/or maximum number).
* NAs must assess all the award criteria relevant for each given Action/sub-Action, using the "evaluation grids" provided as annex to this Guide.
* NAs cannot disregard one or more award criteria, nor introduce additional one(s) E.g. An EVS project cannot not be rejected because it takes place in a country with high scale of unit costs and therefore appears to be more expensive.
* NAs cannot assign points to categories of award criteria that are higher than the maximum points defined in the Programme Guide – Part B – Section "Award criteria" of any Action/sub-Action.

### Pre-financing and final payments

Payment modalities are defined in part C of the Programme Guide.

### Procedure with two pre-financing instalments

The following projects are subject to a payment procedure based upon 2 pre-financing instalments:

1) EVS projects, if:

* they last 6 to 24 months, and
* request a grant exceeding 50 000 EUR, and
* have not provided the EVS Agreement including the identification of the volunteer(s), at application level.

All the three conditions above must be met in order to proceed with the two pre-financing instalments. The condition relating to providing the EVS Agreement is considered as fulfilled only when a copy of (all) the signed Agreement(s) including the identification of all volunteers foreseen in the project, has(ve) been received by the granting NA.

2) projects submitted by informal groups of young people, if:

* they request a grant exceeding 25 000 EUR

The second pre-financing instalment shall be paid upon receipt of the form "statement for further pre-financing payment". This form, available on EU website as well as at [www.youthnet.nu](http://www.youthnet.nu), comprises a short description of the state of implementation of the project and provides a declaration from the beneficiary that at least 70% of the 1st pre-financing instalment has been used-up.

### Actions 1.3 and 5.1: Actions with grants based on percentage of actual costs

Modalities for financial rules of the Action 1.3 and Action 5.1 have been clarified through a note to heads of NAs addressed by the Commission on 11/12/2009 with reference D2/GGM/VR/PLE/SF Ares(2009)374911. This note is attached as annex II.C to this Guide..

### Action 2 - European Voluntary Service (EVS)

This section gives guidance on some practical implementation issues of EVS by the NA.

### Use of Action 2 decentralised funds

The Action 2 decentralised budget is used to finance the following:

* selected EVS projects
* Training and Evaluation Cycle
* support to EVS Advice and Support Organisations (optional, to the maximum limit of 5% of the overall Action 2 budget)

All other EVS-related costs incurred by the NA in the management of the programme (training for mentors, training for newcomer organisations, meeting of the NA with EVS beneficiaries, etc.) are to be financed through the operating grant of the NA, or, whereas applicable, through the Training and Cooperation Plan.

### Rejection of one or more ineligible promoters/EVS Services within an EVS project

An EVS project can be considered eligible even if one or more promoters/Services within the project are not, provided that the general eligibility criteria are still met. In this case, the ineligible promoters/Services are removed from the project and the grant is reduced accordingly.

### Training and Evaluation cycle (TEC)

In accordance with rules of the Programme Guide, 3 types of TEC activities shall be organised by the NA or SALTO SEE / EECA Resource Centres:

* on-arrival training
* mid-term evaluation (Services lasting more than 6 months)
* annual EVS event

The NA/SALTOs may subcontract the organisation of the training and evaluation sessions that are then organised by one or several organisations on behalf of the NA/SALTO.

All training/evaluation have to respect the volunteer training standards and minimum guidelines of the Commission.

On arrival training and mid-term evaluation

On-arrival training and mid-term evaluation sessions must be attended by all incoming volunteers. Volunteers from projects granted at centralised level are also to be included in the sessions organised by the NAs/SALTOs.

The maximum EU funding for on-arrival training and mid-term evaluation is stated in the EVS "Funding Rules" section of the Programme Guide (i.e. On arrival training: 100% of eligible costs - up to € 900 x number of participants. Mid-term evaluation: 100% of eligible costs - up to € 500 x number of participants).

Consequently, NAs/SALTOs do not grant any financial support related to TEC which would be requested by the beneficiary at application level. Exceptions from this rule may be authorised by the selecting NA but should be restricted to:

* situations of "force majeure" (i.e. National Agency/SALTO not being able to provide TEC sessions for sudden or temporary organisational impediments). In this case the NA should communicate without delay this impediment to the Commission specifying: a) the reasons of the impediment, b) the measures put in place to overcome the situation and c) the deadline for re-establishing the normal situation. The NA shall also publish the information of non-implementation of TEC activities through the web site
* on-arrival trainings for young volunteers with fewer opportunities carrying out a Service of less than six months
* sessions taking place in the Euromed Partner Countries.

In all such exceptional circumstances, the NA/SALTO shall make sure that the planned TEC activities proposed by the beneficiaries respect the minimum TEC qualitative standards, and notably that the following topics are adequately taken into account:

* + - general information about the Youth in Action programme
    - information about AXA insurance (for on arrival trainings)
    - rights and responsibilities of EVS volunteers
    - information about Youthpass

Annual EVS event

The 1-2 day annual EVS event is intended for volunteers who have ended their Service and have returned back in their country of origin; it can serve as an evaluation meeting, alumni meeting and promotion event; the NA may choose to organise a national event or several regional events.

The maximum EU funding for the Annual EVS event is: 100% of eligible costs - up to € 300 x number of participants.

TEC organised by SALTOs

The sessions organised by the SALTOs in South East Europe and Eastern Europe and Caucasus (for all of the three types of TEC activities) shall respect the same maximum thresholds and costs will be paid by the NAs (reimbursement to SALTOs based on invoices).

Additional training: pre-departure (optional)

Sending and/or Coordinating Organisations are responsible for preparing volunteers prior to their departure. Costs related to this responsibility are to be covered by the EU grant under "Sending Costs". The NA shall ensure that each outgoing volunteer prior to the departure receives the info-kit prepared by the Commission.

However, in addition to the three types of training sessions mentioned above, NAs (not SALTOs) have the opportunity to organise a one-day pre-departure info-session to establish contact with outgoing volunteers.

The maximum EU funding for this optional training is: 100% of eligible costs - up to € 200 x number of participants.

### NA monitoring on EVS organisations

The NA shall primarily monitor those organisations with which it has concluded a financing agreement, but also those for which the NA is in charge of accreditation.

### EVS Agreements

Although EVS Agreements are to be submitted to the NA, it is an internal agreement between the promoters and the NA shall not approve it, nor does it have any role in overseeing it. Data concerning volunteers included in the EVS Agreement must be encoded in Youthlink upon reception so that all other NAs that are concerned by the project get the indispensable information for the planning of volunteer Training and Evaluation Cycle.

The promoter may choose to have one EVS Agreement covering all volunteers in the project, or to have separate Agreements for each volunteer or for each group of volunteers doing their service in a group.

If the NA discovers in the EVS Agreement something that leads to believe that EVS-rules and principles are not respected, the NA may decide to take appropriate measures to check and clarify the situation and – if necessary – sanction the non-respect of rules.

### Changes to granted projects

Beneficiaries have a large flexibility in changing the set-up within a running project without any amendment to the financing agreement. However, substantial changes require the agreement of all partners concerned and the conclusion of a new EVS Agreement. that also has to be sent for information to the granting NA. Substantial changes are for example, replacement of volunteers, change of Service dates or duration, change of the training calendar, changes of volunteer tasks, etc. All changes occurred in an EVS project must also be reported at final report stage.

Certain changes, such as changes in the composition of partner organisations or replacing volunteers during the service period, require that the Coordinating Organisation requests an amendment to the financing agreement with the granting NA.

### Participation

As stated in the Programme Guide, a volunteer can take part in only one EVS project. As an exception to this principle, volunteers who have carried out an EVS lasting less than 2 months can take part in an additional EVS project provided that the total duration of the combined periods of Service does not exceed 12 months.

In addition, NAs can grant to a volunteer the opportunity to take part in an additional EVS in cases where the EVS volunteer had to forcedly interrupt her/his Service for reasons not dependent from her/his will, or in other cases of "force majeure". In such cases, the NA must produce an exception report documenting the reasons of its decision.

### Accreditation of EVS organisations

Main principles

Accreditation of all organisations is an important instrument to ensure high quality standards in EVS and to facilitate partner-finding. Accreditation is carried out by the NA for those organisations that are based in the respective Programme Country. Accreditation of organisations based in South East Europe is carried out by the SALTO SEE Resource Centre, whereas accreditation of organisations based in Eastern Europe and Caucasus is carried out by the SALTO EECA Resource Centre. Organisations having a European, international or profit-making legal status are accredited by the Executive Agency. Through their accreditation EVS organisations agree to adhere to the EVS Charter.

The positive or negative decision on accreditation shall be taken jointly by two accreditors. The process and the reasons leading to the decision are briefly described in Youthlink. Expressions of Interest shall be submitted on a continuous basis and accreditors take a decision, in principle, within 6 weeks. The maximum validity of a positive decision is three years. Within this period any EVS Service may start.

After the accreditation of newcomers, it is recommended that, at one point, the NA verifies their understanding of the EVS Charter and of the Youth in Action Programme through a monitoring visit

All accredited organisations shall be published in the online database of accredited organisations. This requires a timely and correct input of data in Youthlink. Accredited organisations are encouraged to notify the NA of periods when they are not seeking volunteers or partnerships. When receiving such a notice, the NA should put the organisation in the "garage" in Youthlink, making them invisible in the EVS database and hence facilitating a more efficient partner search for organisations and volunteers. Upon request and within the accreditation period, the NA should bring the promoters made invisible out of the "garage" without further delay.

The accreditation can be withdrawn upon a joint decision of two accreditors and/or the person who is legally authorised to sign grant agreements on behalf of NA in case of non-compliance with the EVS Charter. Once the accreditation period expires, the organisation disappears from the online database.

Grant applications of organisations without accreditation or with an accreditation that dates back more than three years at the date of the application deadline, are ineligible. The NA shall continue regular updates of its stock of accredited organisations in YouthLink in order to take out those organisations from the online database of accredited organisations.

Accreditation of Host Organisations

In the case of newcomer organisations that have never participated in EVS, direct personal contacts, visits, interviews, etc. are highly recommended prior to the accreditation decision.

The role and suggested tasks and responsibilities of Host Organisations are specified in the Programme Guide.

Any Host Organisation in Programme Countries, South East Europe or Eastern Europe and Caucasus[[26]](#footnote-26) must be accredited. If identified in the EI-form, organisations may draw on the support of contact points outside the organisation. A volunteer must however be hosted by the actual Host Organisation identified as a partner promoter in the project, and this HO must also carry all costs.

Accreditation of Sending Organisations

It is highly recommended that all newcomer organisations come to meet the NA when they apply for accreditation.

Accreditation of Coordinating Organisations

Only accredited Coordinating Organisations may submit applications and be beneficiaries. In order to be accredited, Coordinating Organisations must display a sound understanding of EVS on the basis of the Programme Guide and the EVS Charter, and ability to manage projects in a professional manner. The Expression of Interest form has to be filled in and the general motivation, project ideas and possible coordination activities have to be described. The accreditors verify the EVS understanding of the organisation on the basis of the Expression of Interest and – in the case of newcomer organisations or problematic cases - through direct contacts, meetings, visits, telephone interviews, etc. and decide positively or negatively on the accreditation request.

It is highly recommended that all newcomer organisations come to meet the NA when they apply for accreditation.

Coordinating organisations should be reminded during the accreditation process that it is also their responsibility to safeguard a common respect of the EVS Charter and Youth in Action Programme Guide among all project promoters (including those from Partner Countries).

### The reinforced mentorship

It is a standard fixed amount applicable for all projects. The amount is paid per volunteer and Service month, but only once, not to each Sending or Host Organisation. The division of the amount between Host and Sending Organisations is then to be determined by the promoters.

### Structures of former EVS volunteers

Any volunteer may choose to become involved in the activities of national structures of former EVS volunteers during or after the EVS.

These structures are designated by the National Authority of the Youth in Action programme in each Programme Country. Their activities generally include providing support to EVS volunteers and setting up platforms for communication and networking among former EVS volunteers for sharing experiences. Also the National Authorities may call on these structures to consult or evaluate youth and volunteering issues. The NA may involve them in their Training and Cooperation Plan activities and in the volunteer training.

### Support to EVS Advice and Support Organisations

To complement EVS services, EVS Advice and Support Organisations may be identified by National Agencies from civil society and the public sector. The EVS Advice and Support Organisations can help with the identification of volunteers and EVS Sending and Host Organisations on request. They can also help to match the interests, profiles and expectations of volunteers and organisations and assist with partnership-building. However, the actual recruitment and selection of volunteers remain the responsibility of Sending/Host/Coordinating Organisations and cannot be taken over by EVS Advice and Support Organisations or National Agencies.

In addition to these core tasks, EVS Advice and Support Organisations may also assist in developing the thematic or geographic scope of EVS or in reaching out to a certain target group. The exact set of services is determined by the National Agencies in light of the Youth in Action priorities, the respective capacities and the situation of EVS in a given country. In justified cases, a similar advisory and supportive role may also be conferred on individuals.

EVS Advice and Support Organisations must not take over contractual or financial management responsibility from National Agencies.

The NA can use up to 5% of its yearly Action 2 budget for supporting one or several EVS Advice and Support Organisations that help the NA deliver EVS services, notably partner-finding and matchmaking, and to develop EVS. However, it should first be examined whether organisations and entities that had already a de facto role as advice and support organisation (before being named like that) really need additional financial support for their tasks.

EVS Advice and Support Organisations may not submit proposals for grants within the Youth in Action Programme.

### Costs for additional dissemination and exploitation of results

The Coordinating Organisation is to be counted as a project promoter when calculating the number of eligible project promoters in relation with the aforementioned costs.

### Action 3.1 – Youth in the World, Cooperation with the neighbouring countries of the EU

This section provides guidance on some practical implementation issues related to Action 3.1.

Informal groups

As specified in the Programme Guide, informal groups of young people **cannot be applicants** under action 3.1. However, they are eligible to participate in action 3.1 as partners.

Cooperation with Mediterranean Partner Countries

When it comes to Mediterranean Partner Countries, the Youth in Action Programme is complementary to the Euro-Med Youth Programme. For this reason, action 3.1 only supports youth exchanges and training and networking projects involving Mediterranean Partner Countries, which take place in one of the Programme Countries. Consequently, applicants should also be based in a Programme Country. Partner promoters can be based in any Mediterranean Partner Country.

Conversely, activities (youth exchanges, training and networking) taking place in a Mediterranean Partner Country can be supported under the Euro-Med Youth Programme. Applicants should be based in a Mediterranean Partner Country and should directly apply to the Euro-Med Youth Unit established in their respective country, following specific calls for proposals issued by these Units[[27]](#footnote-27).

This distinction does not apply in the case of Action 2 – European Voluntary Service – which allows both hosting volunteers from any Mediterranean Partner Country and sending volunteers to any Mediterranean Partner Country.

### Eastern Partnership Youth Window

Following the adoption of the Joint Communication "A New Response to a Changing Neighbourhood – A review of European Neighbourhood Policy" in May 2011, additional funds will be available over the period 2012-2013 in order to increase the number of Youth in Action projects and participants from the six Neighbouring Partner Countries of the Eastern Partnership (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine), under the name "Eastern Partnership Youth Window" (EPYW).

The window will concern the following actions:

* European Voluntary Service (Action 2)
* Cooperation with the Neighbouring Partner Countries of the EU (sub-Action 3.1).

Despite not being YIA programme funds, EPYW funds will be managed as YIA programme funds in line with the Programme Guide in the relevant sections related to the above-mentioned Actions as well as in the specific sections on the EPYW. Rules and principles mentioned in the present guide are all applicable to EPYW unless stated differently in the below section.

*Information,* *promotion* *and support role of NAs*

NAs have a key role to play in ensuring a successful implementation of the Window as of the first round 2012. NAs are therefore invited to inform potential beneficiaries about the additional opportunities that will be available by using all relevant tools and channels, such as communication tools, regional centres, contacts with Embassies and Consulates of the Eastern Partnership countries, Eurodesk, NA info days, training sessions, as well as contacts and partnerships with project promoters from the Eastern Partnership region established so far.

The SALTO-Youth Eastern Europe and Caucasus Resource Centre will continue to play an important role in supporting the development of cooperation with the region and the implementation of the Window both at decentralised and centralised level.

*Eligibility*

In order to be eligible for funding under this Window projects must exclusively involve promoters from the Programme Countries and from the Eastern Partnership Countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine). As a result, any project involving residents or organisations from any other neighbouring partner country will be ineligible under EPYW. Projects to be supported at decentralised level will continue to involve promoters from the Eastern Partnership Countries as partners. It will be possible for these projects to take place either in a Programme Country or in an Eastern Partnership country.

The assessment will then continue on the basis of the award criteria specified in the Eastern Partnership section of the Programme Guide. During the assessment process, special attention should be paid to the way the projects respond to the specific priorities of the APYW in addition to all the other award criteria. Specific assessment grids will be provided for the assessment of project to be funded under this Window.

*Use of Youthlink*

When a project fulfils this country eligibility criterion in addition to all the others defined in the Programme Guide, the specific box in Youthlink related to the EPYW should be ticked. It is very important to pay attention to this identification step since a separate reporting will be requested for projects funded under the Eastern Partnership Youth Window both for statistical and financial purposes.

*Notification to successful applicants and contracting*

Any specific requirements relating to the notification to successful applicants for projects to be funded under the Eastern Partnership Youth Window will be specified in the provided model grant agreement

*EVS Accreditation, Training and Evaluation*

The accreditation of promoters from the Eastern Partnership countries will be carried out by SALTO EECA.

EVS TEC for EVS projects to be funded under the EPYW will be covered by Youth in Action funds.

*Budgetary follow-up and amendments*

With respect to budgetary follow-up of EWYP funds, YIA programme funds can be allocated to increase the EWYP initial budgetary allocation with a view to optimize the use of EU funds. The opposite flow (increase YIA programme funds with EPYW funds) is not authorised.

Any request to introduce such transfer shall be made in writing as described in the relevant section of the present Guide.

### Training and Cooperation Plan

### Objectives and scope of TCP

According to the legal basis of the Youth in Action programme, the objectives of sub-Action 4.3 are to:

* support the training of those active in youth work and youth organisations in this field, in particular project leaders, youth advisers and supervisors in these projects
* support the exchange of experiences, expertise and good practice between those active in youth work and youth organisations, as well as activities which may lead to the establishment of long-lasting, high quality projects, partnerships and networks.

Furthermore, the Programme Guide states that a project supported under sub-Action 4.3 can be of two types:

* a project promoting exchanges, cooperation and training in the field of youth work. It will be developed with a view to implementing an Activity which supports capacity-building and innovation among promoters, as well as the exchange of experience, expertise and good practice among those who are involved in youth work
* a project leading to the development of further projects under the Youth in Action Programme. It will be developed with a view to implementing an Activity which helps all potential promoters to prepare and develop new projects under the Youth in Action Programme, notably by ensuring support and know-how for the development of the projects; support for partner-finding; tools and means to improve the quality of the projects

The Training and Cooperation Plan - developed and carried out by every National Agency - is an implementation modality of the Action 4.3 which co-exists with the award of grants for projects to be carried out by promoters active in the youth field. Both implementation modalities concur to achieving the same objectives.

The direct intervention of National Agencies in conceiving activities under Action 4.3 is justified by the fact that National Agencies hold a de facto monopoly in their capacity to bridging youth work developments at European level to youth work initiatives realised at national, regional, local level. They are therefore essential hubs for the successful achievement of the objectives of Action 4.3 in their country; they can perform this role only by implementing on their own Action 4.3 activities which have a structured impact and a multiplying effect. The Training and cooperation plans are approved within the work programme of each NA.

TCP is an integral part of the European Training Strategy of the Youth in Action programme (see Chapter 7.2). With this regard, National Agencies have to implement their TCP taking into account the complementarities with other measures and fields of action of the European Training Strategy.

### Eligible activities

As a general rule – and despite some exceptions justified by the nature of the implementation modality and by the scope of the intervention of the NA as described further below - the formats of the activities developed under the TCP are identical to those identified for projects supported under Action 4.3 Training and Networking as defined in the Programme Guide of the Youth in Action programme valid for the current year (Job Shadowing, Feasibility Visit, Evaluation Meeting, Study Visit, Partnership-building Activity, Seminar, Training Course, Networking). One TCP activity can also combine these formats (Multi-Measure).

There are two types of TCP activities:

* Trans-national TCP activities involving at least two NAs from different countries
* National TCP activities organised by one NA.

Examples of non-eligible TCP activities are:

* EVS Training and Evaluation Cycle (to be supported with Action 2 budget)
* EVS Advice and Support Organisations (to be supported with Action 2 budget)
* EVS Accreditation costs (to be covered through NA operating costs)
* Activities exclusively aimed at dissemination and exploitation of programme results and not directly linked content-wise to the TCP activity (to be covered through NA operating costs)
* Production of information and communication materials or tools not directly linked content-wise to a TCP activity (to be covered through NA operating costs)
* Research studies, analyses (to be covered through national co-funding or other external sources)
* TCP activities aiming at evaluation and monitoring of the programme (to be covered through NA operating costs)
* Regular meetings of regional structures, which are involved in the implementation of the Programme (to be covered through NA operating costs)
* Any other NA operating activities stemming from the annual Terms of Reference (which are to be covered by the operating costs).

### Exceptions

The exceptions to be applied to TCP compared to standard Training and Networking activities are described below:

Implementation of the activity

The NA may undertake TCP activities directly or outsource them – or part of them - to external contractors. In this case, the NA shall comply with the aforementioned standards of internal controls and notably with the rules on procurement and subcontracting (section 2.7).

Venue

Trans-national TCP activities must be carried out in the Programme Country of one of the NAs/SALTO involved in the activity. TCP activities can take place in a Neighbouring Partner Country only if the relevant regional SALTO is duly informed or involved in the activity as co-organiser and provided that the funding support to these activities is not disproportionate compared to similar activities organised in a Programme Country.

National TCP activities must take place in the country of the organising NA. In exceptional cases, it's possible to organise national TCP activities in another country, if this is duly justified with lower costs of this activity.

Participants

TCP activities must address young people, youth workers, youth leaders or other stakeholders acting as multipliers in the area of youth work. Participants in TCP activities must be from a Programme Country, or from a Neighbouring Partner Country, as far as the content of the activity is relevant.

Considering their scope, TCP activities can involve a higher number of participants than the Training and Networking projects.

NA Staff can participate in TCP activities, either as support staff, or organising team members, or trainers/facilitators. As a rule, costs related to their participation (i.e. travel, accommodation) cannot be covered through the TCP budget. As an exception, the NA hosting or co-organising[[28]](#footnote-28) the activity can cover the costs for one NA staff provided that he/she participates in the activity as a trainer/facilitator.

Geographical balance

Trans-national TCP activities should be as far as possible balanced in terms of country origin of participants.

Number of promoters

There are no restrictions regarding the eligible number of promoters for a type of activity.

Duration of activity

The specific rules for duration of Training and Networking activities are not applicable to TCP. Within the foreseen eligibility period for this kind of projects, there is no minimum or maximum duration for the TCP activities.

The duration of the activity is part of the information submitted for approval to the Commission within the NA work programme.

Funding Rules

The EU funding of TCP is based on the principle of co-funding of actual costs; the co-funding can vary according to nature and scope of the activity. The EU support must always be complemented with a co-funding from other sources. Consequently, when paying for TCP activities, NAs have to ensure that a share of the related cost has either been covered by the participants/promoters involved, or by any other external donor and keep a sample of the related evidence. The NA must keep invoices/receipts of TCP activities costs for a period of 5 years after the closing of the COM-NA agreement for audit purposes.

In case of jointly supported activities, National Agencies, SALTOs and Partnership COM/CoE are free to decide on the modalities for sharing the costs of the activity. It is responsibility of the structures involved to agree on these modalities in advance when planning the TCP activity in order to avoid any double-funding.

### Eligible costs

In order to be eligible under TCP, costs must:

* be necessary for the implementation of the TCP activity and be consistent with the principles of sound financial management, in particular in terms of value for money and cost-effectiveness
* be occurred during the lifetime of the project as defined in the COM-NA agreement
* be incurred by the NA and recorded in the NA’s accounts in accordance with applicable accounting principles
* be identifiable and verifiable, and supported by original documents.

### Double funding

Participants involved in other Youth in Action projects can take part in TCP, provided that costs linked to their participation are not double funded.

### Specific contracting between NAs

In the case one given NA (hereafter called "contributing NA") intends to financially contribute to hosting costs (other costs than the sending cost of a participant) of a TCP event organised by an other NA (hereafter called "organising NA") a written agreement shall be established between the 2 NAs prior to the beginning of the TCP project

In order to establish the agreement, the Commission recommends adapting the template agreement provided by the Commission for (NA-beneficiary agreement) to the specific needs and circumstances of the TCP project. In any case the agreement shall cover at least the following points:

* Purpose;
* Duration;
* Financing (Budget of the TCP activity with income and revenue);
* Payment arrangements (schedule and accounts, calculation of the final financial contribution from the contributing NA)
* Reporting;
* Commitment of the organising NA to undertake the project in full respect of the YIA programme regulatory framework, in particular with respect to sound financial management, non-profit, procurement rules and TCP rules.

### TC Plan

Each year National Agencies must draft a TC Plan covering activities to be realised from 1st of January of year N until 30th of June of year N+1. The TC Plan must be drafted following the template provided in the Terms of Reference.

### TCP Officer

Each National Agency shall appoint one or several TCP Officer(s) who will be responsible for the planning, implementation and evaluation of the NA TCP Work Plan. Such task can be performed either in autonomy, or in cooperation with other staff of the NA, under the supervision of the NA Director. TCP Officer(s) will also be contact points for the other Youth in Action structures, stakeholders and participants involved in TCP activities.

### TCP Seminar

Every year, the SALTO RC Training and Cooperation – with the support of the European Commission ‑ organises a TCP Seminar, mainly with a view to:

* develop competences for the creation of training strategies and for the development of quality in TCP activities at National and European levels
* encourage the development of common strategies and common projects
* update TCP Officers with information relevant to the finalisation of TCP work plans

The TCP Seminar is to be considered as the peek event where the respective TC Plans should be, as far as possible, developed. TCP Officers are responsible for preparing the grounds for an effective TCP Seminar by formulating and transmitting to the network of TCP Officers, prior to the TCP Seminar, the position of their NA with regard to both offer and demand for international TCP activities.

TCP Officer(s) – or other NA staff acting on their behalf - shall attend the yearly TCP Seminar and illustrate the demand and offer of their NA with regard to TCP trans-national activities. Commitment will be made on the reserve of a confirmation from the NA Director within the final approval of the TCP by the National Authorities and the European Commission

## Inter-Agency Consultation

The NA may practice Inter-Agency Consultation in all Actions and sub-Actions of the programme.

The main purpose of the Inter-agency Consultation is to exchange information about the results of the project selections once the grant decision has been taken, to enable better monitoring of projects, to avoid double-funding and, for EVS, to provide additional information to support the planning of volunteers' Training and Evaluation cycle sessions. The Inter-agency consultation may then take place immediately after the grant decision has been adopted; the information provided to other NAs would include for each project:

* YouthLink reference number
* project dates
* name, country and contacts of promoters (applicant and partners)
* number of participants
* in case of EVS, country of origin of origin and name (if identified) of volunteers, EVS Service dates

For the planning of the training sessions, each NA shall consult regularly the Youthlink report.

The Inter-agency Consultation generally takes place via Youthnet based on the reports provided from YouthLink. Timely and correct input of data is essential.

## Youthlink

Youthlink is the main IT management and monitoring tool for the decentralised actions under the Youth in Action Programme. National Agencies have the obligation to effectively use Youthlink. Their performance will be monitored by the Commission. Any failure to use Youthlink effectively and incomplete data input may result in a reduction of the operating grant awarded to the Agency. The utmost aim of the Commission is to replace its current approach to the monitoring of the implementation of the decentralised Actions by the exclusive use of Youthlink reports. This requires strong discipline concern data input and further use by NAs. The use of parallel management and reporting systems at NA level should be reduced to an absolute minimum.

### Which data must be recorded in Youthlink

Youthlink allows the storage and exploitation of the most important data relating to projects selected at decentralised level. This includes the following :

* data contained in **application forms** (meta data for project identification, information about applicants, promoters, participants, project description, budget general/detailed, payments data)
* data contained in **final report forms** (meta data for project identification, information about applicants, promoters, participants, project description, budget general/detailed, payments data)
* data related to **Training and Cooperation Plan activities** (TCP)
* data related to **European Voluntary Service Training and Evaluation Cycle**
* data related to **Expressions of Interest** in European Voluntary Service
* data relating to Actions/sub-Actions budget allocations and budget transfers concerning the NA-COM agreement

The systematic and full encoding of such data in YouthLink is an essential factor leading to the qualitative performance of important tasks to be carried out by the various actors belonging to the network of structures of the Youth in Action programme. A proper encoding is beneficial for:

* National Agencies: Yearly Reporting (statistical and financial), daily project management (lists of projects to be approved/rejected, grant agreements, letters/documents to beneficiaries, payments record, etc.), information and communication (compendia, brochures, info materials), evaluation and monitoring (statistical and financial standard reports), planning and organisation of EVS Training and Evaluation Cycle;
* European Commission: monitoring and evaluation of the Programme, information/communication, reasoned decision-making (assessment of lump sums and flat rates, adjustments to the Programme based on statistical and financial findings, evidence analysis feeding reports, etc.);
* SALTOs: planning of activities (e.g. EVS Training and Evaluation Cycle), Youthpass, publications, reports, etc.

### When data must be recorded in Youthlink

Youthlink data shall be recorded as soon as they are received by the NA. The timely data input concerns either the application stage, the updated occurred during the project life-time, and the final report stage.

In case of updates or intervening during the project-life-cycle, relevant data inputted in YouthLink at application stage will be over-written. To keep memory of these changes, NAs can create "notes" (a specific functionality in YouthLink) registering the occurred changes.

### Project life-cycle management and Yearly Financial Report

As of 2008, YouthLink also offers National Agencies the opportunity to keep track of and produce reports on project life-cycle “work flows” (e.g reception and registration, selection, commitment/contractualisation, pre-financing payment, analysis of final reports, final balance, valorisation and follow-up, supplementary operations such amendments, monitoring visits, checks, audits, etc.).This functionality allows YouthLink to be used as a tool for a sound daily project management.

The systematic encoding of the basic contractual workflows - coupled with a detailed encoding of the “payments” and “budget” sections of each project - enables National Agencies to store and exploit all the information needed in order to produce the Yearly Financial Report.

### Documentation

Users’ manuals and documents are available in the dedicated “YouthLink” section in Youthnet ([www.youthnet.nu](http://www.youthnet.nu)).

# Annexes

# *I. Glossary for the Guide for NAs (see below)*

# II. Model and standard documents

#### II.A Declaration on the prevention and disclosure of conflicts of interest

#### II.B Grant application assessment grids for decentralised Actions requiring common NA approach

#### *To be provided in due time following upon changes in the 2013 Programme guide*

#### II.C Financial capacity checklist

#### II.D Grant agreement model texts

#### *To be provided in due time following upon changes in the 2013 Programme guide*

#### II.E Report forms for beneficiaries

#### *To be provided in due time following upon changes in the 2013 Programme guide*

# *III. Technical instructions*

#### III.A Visual identity of the programme

#### III.B Primary controls of decentralised actions

# IV. NA report forms

#### IV.A 2012 Yearly NA report forms

#### Updated

#### IV.B Quarterly report form/request for pre-financing payment

#### IV.C Change of NA contact and bank details

#### IV.D Ad hoc report on irregularities and fraud

#### IV.E Request for waiver of recovery order

#### IV. F Report on interest earned

**Annex I – Glossary for the Guide for NAs**

|  |  |
| --- | --- |
| Term | Definition |
| Applicant | The person or organisation/institution submitting a grant application to the NA. |
| Application form | Standardised form to be completed by a potential applicant in view of submitting a grant application. May be a form in electronic or paper format. |
| Assessment | Evaluation of a grant application or a report from a beneficiary, based on standardised criteria and tools (guidelines, checklists etc.). |
| Assessment grid | Standardised form to be completed by an assessor in relation to the assessment of a grant application or report from a beneficiary. May be a form in electronic or paper format. |
| Assessor | Person called upon to assess a grant application, a report from a beneficiary etc. |
| Audit trail | System of formalised procedures and tools allowing to checking for all stages in a process which decision was taken on which basis by whom and when. |
| Award criteria | Criteria that are used to assess the quality of a grant application in the light of the objectives and priorities set. Criteria used to compare the quality of grant applications in a selection round in view of their ranking in order of priority. |
| Balance payment | Final payment of a grant upon assessment and approval of a final report including acceptance of both the activity and financial report sections as well as any other supporting document, product etc. that may be required according to the grant agreement. |
| Beneficiary | The person or institution/organisation who/which signs the grant agreement issued by the NA. |
| Call for proposals | Public document setting out the specific conditions for submitting a grant application under a given Programme (Action) and specifying the criteria on the basis of which the grant award procedure will be undertaken. Complementary document to the Programme Guide. |
| Candidate | (Potential) applicant |
| Check | Control of beneficiaries in view of checking their compliance with contractual conditions set in the grant agreement. Checks can consist of desk reviews (of reports and supporting documents and materials from beneficiaries) or be carried out on the spot at a beneficiary institution/organisation. |
| Commission-NA agreement | The contractual document issued by the Commission to the NA defining the amount of EU funds for the decentralised Actions of the Programme and the NA operating grant, and setting the contractual rights and obligations of both parties to the agreement. |
| Counselling | Provision of advice and guidance to potential applicants or to actual beneficiaries. |
| Decentralised Action | Action of the Programme that is managed under the “NA Procedure”, as set out in Annex to the Youth in Action Programme Decision detailing the Administrative and financial provisions for the Programme |
| Desk monitoring | Monitoring of beneficiaries based on oral or written information (letters, e-mail, phone calls, reports etc.). NA based activity. |
| Dissemination and exploitation of results | Set of activities aiming at producing a wider impact through a project. |
| Eligibility criteria | Criteria referring to formal technical conditions of the grant award procedure (such as final date for submission, use of a specific application form, completion by an authorised person etc.) and of the Programme Action (such as belonging to the target group of the Action, proposing a fundable activity, etc.). |
| Evaluation committee | Group of at least 3 persons formally designated by the NA whose mission is to propose a grant award decision to the NA director with respect to (a) specific selection round(s). |
| Exclusion criteria | Criteria related to the specific situation in which an applicant may be and that result in an automatic exclusion of the grant application from the grant award process in accordance with Art. 93 and 94 of the Financial Regulation (e.g. bankruptcy, fraud, conviction for a criminal offence, etc.). |
| Final grant amount | Final amount of EU contribution decided on the basis of the final report. Limited by the maximum grant amount set in the grant agreement. |
| Grant | Direct financial contribution to finance an activity or the functioning of a body.  A grant cannot have the purpose or effect of producing profit for beneficiary. This condition is not applicable to study, research or training scholarships, nor to prizes following contests or flat-rate grant amounts. |
| Grant agreement | A grant agreement is the contractual document issued by the NA to a person or institution/organisation who/that is the beneficiary of a EU grant following a grant award decision. The grant agreement lays down the contractual conditions in terms of rights and obligations of the beneficiary and the NA. A grant agreement can only be amended by a written additional agreement. |
| Grant application | A formal request for EU support under a specific Action of the programme on the basis of a Call for proposals |
| Grant award procedure | Process covering all stages for the treatment of grant applications from their submission to the grant award decision. |
| Monitoring | Follow-up of performance and realisations of a beneficiary and provision of feedback and guidance in view of improving the supported activity and management of the grant as needed |
| Monitoring meeting | Meeting organised by NA or other Programme stakeholder convening a group of grant beneficiaries under a given action aiming at a collective exchange of experience and provision of guidance and counselling. |
| Monitoring visit | NA visit to a beneficiary institution/organisation in view of monitoring. |
| National thematic monitoring meeting | Monitoring meeting organised by the NA or other Programme stakeholder convening actors and stakeholders of the Programme at national level in relation to a specific thematic area. National monitoring meetings can target a specific Action of the Programme or cut across different Actions of the Programmes. |
| On the spot check | NA visit to beneficiary institution/organisation in view of checking their compliance with the grant agreement in relation to the implementation of the granted activity and the management of the grant. On the spot checks are not required in the case of Individual mobility grant agreements. |
| Pre-financing payment | Payment made by way of advance and as a percentage/portion of a maximum grant amount laid down in the grant agreement. A pre-financing payment can be triggered by the signature of the grant agreement or the approval of a report from the beneficiary, or on the basis of other specific payment arrangements (e.g. monthly instalments for a long term mobility). |
| Programme Guide | Public document providing a description of the Programme objectives and Actions, as well as conditions and procedures for requesting grant support. Normally accompanied by specific call(s) for proposals. |
| Promoter | Any organisation, body or group of young people involved in the implementation of a Youth in Action project. Depending on its role in the project, a promoter can be a partner, an applicant and a beneficiary. Please consul the definitions of this terms in this glossary. |
| Programme actions | The Youth in Action Programme, in order to achieve its objectives, foresees five operational Actions: Action1 - Youth for Europe; Action 2 European Voluntary Service; Action 3 – Youth in the World; Action 4 – Youth support Systems and Action 5 – Support for European cooperation in the youth field. |
| Selection criteria | Criteria allowing to assessing the applicant’s ability to complete the activity or work Programme proposed in the grant application. Includes conditions concerning financial and operational capacity of an applicant. |
| Selection round | Arrangements for the submission and treatment of grant applications under a specific decentralised Action for a specific deadline in reply to an invitation thereto published in a Call for proposals. |
| Supervision | Series of control measures to ensure compliance with internal control standards and contractual requirements. |
| Whistle blowing | Signalling of actual or suspected wrong-doing committed by a colleague NA staff member or the NA management. |

**Annex II – Model and standard documents**

*To be provided*

**Annex III Technical instructions**

*III.A Visual identity of the programme*

The Corporate Design Manual and programme-specific design elements can be found on the Internet at the following address:

http://ec.europa.eu/dgs/education\_culture/publ/graphics/identity\_en.htm#2

All official language versions can be downloaded from the address.

Any communication or publication, whether from an Agency or a beneficiary, in whatever form and on whatever medium, including the Internet, must state that the information expressed therein reflects the views only of the author, and that the Commission cannot be held responsible for any use which may be made of the information. A model sentence, available in all official languages, can be found at the above-mentioned address.

The following instructions on the use of the Programme logo apply to both National Agencies and beneficiaries.

Instructions on the use of the Programme logo

The use of this logo is compulsory on all information media of whatever type (e.g. paper, Internet, multimedia, exhibition stands, promotional material, etc.) or whatever nature (letter paper, fax, forms, agreements with beneficiaries, reports, documents on calls for proposals, outreach brochures, newsletters, etc.).

Further information on the colour applications, size and other graphic details can be found in the above-mentioned Corporate Design Manual.

Please note that logos may not be changed. Requests for additional information/clarifications may be sent to the following address: [eac-logo@ec.europa.eu](mailto:eac-logo@ec.europa.eu)

For the sake of clarity and readability, it is recommended to avoid any positioning of the logos that may result in graphically overloaded and confusing pages (for example, long rows of logos).

**Annex III.C Modalities for financial rules of the sub-Action 1.3 and sub-Action 5.1**

**I. Introduction**

The funding rules applied under the Youth in Action Programme are largely based on the recourse to lump sums and flat rate financing. This system has been put in place with a view to allow promoters (generally small-scale NGOs) to identify in a simple way the sum they are supposed to receive from the EU as a contribution for the realisation of their projects. The only exception to this approach, among the sub-Actions managed by the National Agencies, is represented by sub-Actions 1.3 "Youth Democracy Projects" and 5.1 "Meetings of young people and those responsible for youth policy".

Indeed, the funding rules applied to these sub-Actions follow the more traditional approach of granting a sum that represents a percentage of the total eligible costs incurred by the project.

This exceptional approach under the Youth in Action Programme is motivated by the fact that the Commission intends to preserve the originality and novelty of these sub-Actions from the point of view of project format. As a matter of fact, the use of lump sums and flat rate financing suggest that the Action is implemented through a big number of rather small and homogeneous grants supporting projects with a clearly defined project format; this is however not the case for the sub-Actions 1.3 and 5.1, and applying mechanisms of lump sums/flat rate financing would limit the possibility for project promoters to formulate projects with different formats and activities to be carried out. It would also make the promoters less attentive to the necessity of finding other sources of funding and could have consequences in terms of sustainability of the project in the medium and long term.

Following the request from the National Agencies, the purpose of this document is to provide a clarification on the existing funding rules to be applied under sub-Action 1.3 "Youth Democracy Projects" and sub-Action 5.1 “Meetings of young people and those responsible for youth policy” of the Youth in Action Programme.

This document provides the basic definition of what are the costs and income that can be defined as eligible or non-eligible under these sub-Actions; it will also provide clarification on the procedures to be followed by a National Agency in order to calculate the grant to be awarded to beneficiaries under these sub-Actions.

**Part A – Expenditure**

**II. Eligible costs**

II.1 General principles

The notion of eligible costs is a key concept in light of ensuring compliance with the principle of sound financial management and ensuring that the EU grant is used to reimburse actual expenses reasonably incurred within a project. Eligible costs are the only categories of costs to be taken into account for the determination of the maximum Community grant, expressed as a maximum amount and percentage of those costs.

In line with art.164 paragraph 1 g) of the Financial Regulation's Implementing Rules (IR)[[29]](#footnote-29), eligible costs of a project must be described in detail in the budget section of the application form. They must be in line with the eligibility criteria set by the Youth in Action programme. It is important to note that in conformity with these defined criteria, the National Agency is responsible for retaining the final decision as to the nature and amount of costs considered eligible.

This decision must be taken first during the stage of analysis of proposals (with the aim of determining the budget to be annexed to the Grant Agreement), and later on when examining the statements of costs actually incurred at the final report stage (with a view to determining the final payment/recovery).

II.2 Where are the criteria for the eligibility of costs defined?

In the ***Programme Guide***, (call for proposals for decentralised actions): they are mentioned with all the relevant details (Article 167 IR), respecting the provisions of the Legal basis of the Youth in Action programme, the EU Financial Regulation (FR)[[30]](#footnote-30) and the Annual Work Programme of DG Education and Culture. Based on the information provided in the Programme Guide, applicants may determine their detailed estimated budget within their application.

In the ***Grant Agreement*** signed between the National Agency and the beneficiary (hereinafter called "Grant Agreement"): the section "General Conditions" provide for general criteria that costs must meet in order to be considered eligible. The General Conditions are provisions that are set for any grant awarded under the framework of any programme of the European Union. The provisions might therefore be overruled or specified by provisions contained in the section "Special Conditions" which is a section drafted with the aim to taking into account the specificities of the Youth in Action programme.

II.3 General definition of eligible costs

As stated in the model Grant Agreement, in order to be considered as eligible the costs must satisfy the following general criteria:

- they must be 1) connected with the subject of the agreement and 2) they must be provided for in the estimated budget annexed to it;

*Concerning point 2) above: when determining the final grant, it is therefore impossible to accept items of costs which have not been indicated in the approved budget annexed to the Grant Agreement, unless these costs have been previously formalised through a written amendment to such agreement which modifies the budget notwithstanding the respect of the maximum amount and maximum percentage of co-funding indicated in the award decision. An exception to this general rule (necessity of written amendment) applies to any change brought to the agreement which implies a transfer between items that does not exceed 10% of the amount of each item of eligible costs for which the transfer is intended, and without exceeding the total eligible costs indicated in the Grant Agreement.*

- they must be necessary for performance of the action covered by the agreement;

*A beneficiary must necessarily bear these costs in order to implement the project. These costs would not occur if the project were not to be taking place.*

- they must be reasonable and justified and they must accord with the principles of sound financial management, in particular in terms of value for money and cost-effectiveness;

*The notion of correct correspondence between the planned costs and the expected deliverables of the project is a fundamental criterion: beneficiaries must provide reasonable information on the means they intend to employ in order to achieve the objectives set in their project. The Community grant must not be diverted to finance activities or items other than the ones for which the project has been selected.*

- they must be generated during the lifetime of the action as specified in Article I.2.2 [duration] of the agreement;

*This means that the costs linked to the project must be generated within the period of time between the date when the project starts and the date when the project ends (eligibility period). This period is not limited to the implementation of one or more activities foreseen in the project, but also includes the preparation and the final evaluation (including a reflection on a possible follow-up) of the project.*

*To be noted that the fact determining the occurrence of a cost must intervene within the eligibility period, which does not mean that the cost will have to be necessarily paid during the eligibility period of the project. In example, costs for the provision of services (e.g. translations, accommodation, food, travel, etc.) or supplying materials for the purpose of carrying out the project can be invoiced and paid prior to the start of the project or after the end of the project, provided that:*

*a) the performance/delivery of such services/materials has been made within the eligibility period of the project and this is clearly listed on the invoice, and*

*b) such costs have not been incurred prior to the date of submission of the grant application.*

- they must be actually incurred by the beneficiary, be recorded in his accounts in accordance with the applicable accounting principles, and be declared in accordance with the requirements of the applicable tax and social legislation;

*In the context of the Youth in Action programme, the partner promoters formally involved in the project (i.e. having signed a partnership agreement with the applicant) are equally considered as beneficiaries for the purposes of the eligibility of costs.*

- they must be identifiable and verifiable.

*The Grant Agreement also states that the beneficiary' s internal accounting and auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the project with the corresponding accounting statements and supporting documents.*

II.4 Direct costs

Direct costs are costs that are directly linked to the implementation of the project.

a) Items of eligible direct costs, as defined in the General Conditions of the Grant Agreement

According to the General Conditions of the Grant Agreement, the following direct costs are eligible provided that they satisfy the criteria set out in the previous paragraph:

- the cost of staff assigned to the project [under the conditions set in the Agreement];

- travel and subsistence allowances for staff taking part in the project [under the conditions set in the Agreement];

- the purchase cost of equipment [under the conditions set in the Agreement];

- costs of consumables and supplies, [under the conditions set in the Agreement];

- costs entailed by other contracts awarded by a beneficiary for the purposes of carrying out the project [under the conditions set in the Agreement];

- costs arising directly from requirements imposed by the agreement [under the conditions set in the Agreement];

b) Items of eligible direct costs, as defined in the Specific Conditions and Annexes of the Grant Agreement (to be applied to sub-Actions 1.3 and 5.1)

For projects supported under sub-Actions 1.3 and 5.1, the Special Conditions of the  
Grant Agreement define different items of eligible direct costs.  From a legal point of view:

1. it is clearly stated in the "Introduction" part of the Grant Agreement (page 2 EN version) that " *The terms set out in the Special Conditions shall take precedence over those in the other parts of the agreement"*.
2. On this basis, the Article I.3.3 of the Grant Agreement affirms that "*the categories of eligible direct costs as shown in Annex I, shall be financed [...]in accordance with the rules set and detailed in Annex III*."
3. The models Annex III relevant for sub-Actions 1.3 and 5.1 identify the following items of costs direct eligible costs (in conformity to what indicated in the Programme Guide"):

- Travel costs

- Accommodation/food costs

- Organisation of seminars, meetings, consultations, activities

- Publications/translations/information costs

- Dissemination and exploitation of results

- Other costs directly linked to the implementation of the project

1. Beneficiaries and potential applicants must therefore be informed that the items of costs that will be considered eligible are those identified in the sections "Funding Rules" of the Programme Guide, despite the fact that these items seem incoherent with what indicated in the "General Conditions" section of the Grant Agreement

### II.5 Indirect costs

Indirect costs are those costs which are not identifiable as specific costs directly linked to the implementation of the project, but which might have nevertheless been incurred in connection with the eligible direct costs of the project. They cannot include any eligible direct cost. Examples for indirect costs are: electricity and internet bills, PCs in organisations, printers, permanent staff costs, costs for premises, etc.

The Community grant contribution for these costs is a flat rate representing 7% of eligible direct costs. Beneficiaries having received an operating grant from the EU (e.g. an operating grant awarded under sub-Action 4.1 of the Youth in Action programme) cannot claim this contribution for indirect costs.

### II.6 Difference between total costs and total eligible costs of a project

A clear distinction must be made between:

- on the one hand, total costs of the project as set out a) in the detailed estimated budget which is presented by beneficiaries when submitting their application forms, or b) in the final budget presented by beneficiaries when submitting their final reports;

- on the other, total eligible costs of the project. These costs are defined by the National Agency following an assessment (both at application and final report level) regarding their compliance with the provisions highlighted in par II.3 and II.4 of this note. These costs constitute the reference for the calculation of the Community grant. A specific column of the "estimated budget" annexed to the Grant Agreement indicates those project costs defined eligible by the NA during the assessment of the application form.

**III. Ineligible costs**

The following costs shall not be considered eligible:

- return on capital;

- debt and debt service charges;

- provisions for losses or potential future liabilities;

- interest owed;

- doubtful debts;

- exchange losses;

- VAT, unless the beneficiary can show that he is unable to recover it;

- costs declared by the beneficiary and covered by another action or work programme receiving a Community grant;

- excessive or reckless expenditure.

**IV. clarifications regarding certain items of costs**

### IV.1 Personnel costs

Cost for personnel are not clearly identified as items of eligible costs under sub-Action 1.3 and 5.1, as explained in par. II.4b above.

With this regard the National Agency has to take into consideration the following.

1. Is it possible to consider eligible costs linked to remuneration of permanent staff of the applicant or its partners?

No, it is not; neither under the heading "Organisation of seminars, meetings, consultations, activities" nor under "any other cost linked to the implementation of the project". These costs can only be partially supported as indirect costs, provided that the beneficiary is entitled to claim a contribution for indirect costs (cfr. par. II.5 of this note). The rationale behind lies in the generally encountered difficulty to clearly identify - within the ensemble of costs linked to permanent salaries - those costs that are directly linked to the implementation of the project.

1. Is it possible to take into account the remuneration of trainers, facilitators and other "service providers" or "task performers" hired specifically for the running of the project?

Yes, it is possible. Indeed, these categories of costs can be much better identified and verified with regard to their direct link with the implementation of the project. Therefore, you can consider eligible all those costs born in order to receive punctual job services from external providers (e. g. trainers, facilitators, project managers exclusively hired for the project, translators, bus drivers for local transports, technical assistance services, informatics..) provided that they are compliant with the general definition of eligible costs provided in par. II.3 of this note.

### IV. 2 Costs related to the participation of decision-makers and experts

As stated in the Programme Guide, if the project under sub-Action 1.3 or 5.1 foresees the participation of decision-makers/experts, the costs directly related to their participation are considered eligible (provided that they are compliant with the definitions and items of costs described in this note); however, none of these costs can be covered through the Youth in Action grant. Such costs should be covered through other sources of financial contribution to the project (cfr. section "co-financing" below).

The basic rationale behind is that decision-makers and experts are usually individuals that are able to cover their costs of participation through their mission budgets or similar. In that way, they would contribute to the project in terms of co-financing and would thus support projects in favour of young people. Moreover, the philosophy of the Programme is to use the Community grant to support as much as possible those costs directly related to the participation of young people.

**Part B – Revenue**

**V. Community grant**

The Community grant provides for a partial financial support the costs of a project. Under sub-Actions 1.3 and 5.1 the Community grant must respect each of the two following conditions:

* the total amount is set at maximum € 50 000;
* the grant represents maximum 75% of the total eligible costs; cfr. par. II.6 describing the difference between total costs and total eligible costs of a project. Such contribution covers both direct and indirect costs; the contribution for indirect costs is a flat rate corresponding to 7% of the contribution for the direct eligible costs.

### V.1 How to calculate the Community grant?

In order to calculate the Community grant to be awarded to a project under sub-Actions 1.3 and 5.1 a National Agency must carry out the following operations.

a) at application level

* make a financial verification of all applications proposed for award by any round of selection. Such verification should be aimed at a) assessing the eligibility of costs presented by the applicant in conformity with the provisions described in par II.3 and II.4 of this note; b) verifying that the Community grant requested by the beneficiary respects the two ceilings indicated in par. V; above and c) whereas necessary, recalculating the ceilings in relation to the definition of the total eligible costs;
* as annex to Grant Agreement, propose to the beneficiary an "approved estimated budget" of the project indicating the total eligible costs as well as the amount and percentage of the Community grant;
* if the beneficiary accepts and signs the Grant Agreement at the conditions proposed by the NA, pursue the project life-cycle management (notably issue a pre-financing payment) in respect of the provisions contained in the Grant Agreement;

b) at final report level

make a financial verification of the total actual costs incurred by a beneficiary as stated in the project's final report and accompanied by a list of justifying documents relating to all the costs of the project; any cost that cannot be justified is automatically considered as ineligible.Such verification should be aimed at a) assessing the eligibility of costs presented by the applicant in conformity with the provisions described in par II.3 and II.4 of this note; b) whereas necessary, recalculating the Community Grant respecting the two following principles: 1) the final grant amount cannot be higher than the amount defined by the Award Decision (and consequently indicated in the Grant Agreement); 2) the percentage of Community funding indicated in the Grant Agreement must be maintained.

### VI.2 Example of calculation of the Community grant

An applicant submits a project with the following budget:

Total estimated costs: 110 KEur

Grant requested: 75 KEur

% of grant/total: 68%

After the verification at application level, the NA proposes the following budget:

Total eligible costs: 100 KEur (if 10KEur are considered not eligible)

Grant awarded: 50 KEur (in order to comply with maximum amount ceiling)

% of grant/total: 50%

At final report level, the beneficiary submits the following budget:

Total actual costs: 75 KEur

Grant requested: 50 KEur

% of grant/total: 67%

After the verification of the final report, the NA accepts the following budget:

Total actual eligible costs: 70 KEur (if 5 KEur are considered not eligible)

Grant awarded: 35 KEur (the amount is reduced in order to maintain the %)

% of grant/total: 50%

**VI. Co-financing**

The co-financing principle is one of the basic principles for the award of grants referred to in Article 109 FR. According to Article 165a: "*Co-financing shall require that part of the cost of a project is borne by the beneficiary of a grant, or by contributions other than the Community contribution*".

The co-financing principle aims to make beneficiaries responsible for the operational and financial viability of their projects. These projects must not be financed entirely out of Community funds and the beneficiaries are asked to obtain additional financing from other sources. This means that (Article 113 FR): "*the grant may not finance the entire costs of the project"*.

### VI.1 What does co-financing cover?

The co-financing requirement applies to the total costs of the project. To realise equivalence between total expenditure and total revenue, any project cost not covered through the Community grant must be covered through income deriving from the following sources:

- own resources of the beneficiary body (self-financing);

- financial contributions from other donors;

- co-financing in kind from third parties under the conditions set out below.

Sources of financing other than a Community grant must not include a grant applied for or awarded under another Community financial instrument or programme. Article 111 FR states that "*one project may give rise to the award of only one grant from the* [Community] *budget to any one beneficiary, except where the relevant basic acts authorise otherwise*".

Accordingly, in order to avoid more than one grant being paid, beneficiaries submitting a grant application must declare any other Community grant received or applied for in the same financial year for the same project.

### VI.2 Contributions in kind

A contribution in kind is considered as a provision of goods or services to the beneficiary free of charge by a third party (e.g. equipment donated to the beneficiary, individuals providing support on a voluntary basis, etc.). Contributions in kind do not therefore involve any expenditure for the beneficiary and are not entered in his accounts.

The use by the beneficiary of his own permanent staff for the purposes of implementing the project does not represent a contribution in kind since this use constitutes a cost for the beneficiary and may consequently constitute an indirect cost of the project (not a direct eligible cost under sub-Actions 1.3 and 5.1 as explained in par. II.4 b above).

From an operational point of view, contributions in kind create two types of difficulties:

- difficulty in calculating the equivalent financial value of the contribution in the absence of accounting evidence, and

- difficulty in assessing whether the contribution in kind has indeed been provided, or, in other words, difficulty in ensuring that the contribution in kind was not declared falsely.

Both of these difficulties carry the same risk, i.e. that the budget of the project has been artificially inflated, which will in turn increase the amount of Community co-financing.

Co-financing in the form of contributions in kind may be accepted by the National Agency "if considered necessary or appropriate" (Article 172(2) IR). If a National Agency accepts contributions in kind, it must justify the reasons why these contributions are considered as necessary or appropriate (e.g.: due to the technical nature of the project, to the need to involve in the implementation of the project certain types of beneficiaries who would have difficulties in making financial contributions).

Finally, it should be noted that Article 172 of the IR specifically excludes the possibility for real estate to be considered as a contribution in kind (for example, making available land, buildings or premises). This includes premises offered to the beneficiary for free by third organisations/bodies for the purposes of carrying out project activities.

1. Decision 1719/2006/EC of the European Parliament and of the Council of 15 November 2006. [↑](#footnote-ref-1)
2. Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities and Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, and their subsequent amendments and corrections.. [↑](#footnote-ref-2)
3. Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 and Commission Delegated Regulation C(2012)7507final of 29 October 2012 on the rules of application of Regulation (EU) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (To be published in the Official Journal of the European Union by the end of 2012). [↑](#footnote-ref-3)
4. Commission Decision C/2007/1828 Final. [↑](#footnote-ref-4)
5. Cf. Commission Decision relating to the respective responsibilities of the Member States, the Commission and the National Agencies in the implementation of the Youth in Action programme (2007-2013), Transitional provisions. [↑](#footnote-ref-5)
6. For example, existing rules for the conduct of staff employed by public institutions. [↑](#footnote-ref-6)
7. FR Art. 52(2): « There is a conflict of interest where the impartial and objective exercise of the functions of a player in the implementation of the budget or an internal auditor is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with the beneficiary. » [↑](#footnote-ref-7)
8. Refer for details to section “dealing with irregularities and fraud” within chapter 3. [↑](#footnote-ref-8)
9. In accordance with article 4 (2) a) of the EC Decision n° 1828/2007 "The NA may not delegate any task of budget implementation.". Budget implementation tasks are tasks involving public mission discretionary powers such as awarding of grants or public contracts, making budgetary and legal commitments, validating and authorising expenditure, establishing and issuing recovery orders. As a consequence, under this paragraph, the tasks for which the NA may draw human resources from external contractors are those for which technical expertise may be needed (such as audit, accounting or IT support and maintenance) or other support tasks (such as archiving). See also section 2.7. on procurement and sub-contracting. [↑](#footnote-ref-9)
10. E.g. communication on the outcomes of grant application assessments, taking grant award decisions, signature of grant agreements, authorisation of payments etc. [↑](#footnote-ref-10)
11. Cf. Commission Decision relating to the respective responsibilities of the Member States, the Commission and the National Agencies in the implementation of the Lifelong Learning programme (2007-2013), Art.10. [↑](#footnote-ref-11)
12. Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data. [↑](#footnote-ref-12)
13. Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the EU institutions and bodies and on the free movement of such data. [↑](#footnote-ref-13)
14. See glossary in annex for definition of different types of criteria. [↑](#footnote-ref-14)
15. See glossary in annex for definition of different types of criteria. [↑](#footnote-ref-15)
16. The rules on low value grants apply to each grant separately and therefore also in case the same organisation would apply for several grants of less than € 60.000 but the sum of which would exceed € 60.000.

    However, in case no supporting documents were requested in the call for proposals and if the NA has doubts about the financial or operational capacity of an applicant – regardless of the amount of the grant to be awarded - the NA shall request any appropriate document from the potential future beneficiary. [↑](#footnote-ref-16)
17. http://eur-lex.europa.eu/JOIndex.do?ihmlang=en [↑](#footnote-ref-17)
18. The tolerable error is the maximum error rate found in the population tested, that the Commission would accept, without concluding that the results obtained are significantly erroneous. The possible errors, resulting from the primary controls by the NA, are cases of non compliance found with regard to the reality and eligibility of activities and expenses reported to the NA by the beneficiaries as well as with regard to the legality and regularity of the underlying transactions. [↑](#footnote-ref-18)
19. Such measures may consist of correcting any weaknesses in the NA systems or increasing the minimum percentage and number of checks to be performed by the NA. If, however, the error rate is the result of a major single error, it is possible that the NA may not be required to take any other action but to correct the error concerned. [↑](#footnote-ref-19)
20. Point 14 of the Annex to decision 1720/2006/EC of the European Parliament and the Council. and paragraph "Checks and Audits" of the Annex to Decision n° 1719/2006/EC of the European Parliament and the Council. [↑](#footnote-ref-20)
21. Article 1 of the Convention concerning the protection of the financial interests of the European Communities (OJ C316 of 27.11.1995 page 49) [↑](#footnote-ref-21)
22. EC Regulation n° 45/2001. [↑](#footnote-ref-22)
23. The management rules for national co-funding as set out in section 5.4 are based on the agreement of the YIA Committee, cf. note CJ/08/2010. [↑](#footnote-ref-23)
24. Available at <http://ec.europa.eu/budget/execution/legal_entities_en.htm>. [↑](#footnote-ref-24)
25. FR Art. 52(2): « There is a conflict of interest where the impartial and objective exercise of the functions of a player in the implementation of the budget or an internal auditor is compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with the beneficiary. » [↑](#footnote-ref-25)
26. SALTO Eastern Europe and Caucasus (EECA) Resource Centre is in the process of establishing an accreditation

    system for the EECA region. Starting from the 3rd application round (1st June) in 2011 only accredited organizations in EECA are eligible. [↑](#footnote-ref-26)
27. More information about the Euro-Med Youth Programme is available at: http://www.euromedyouth.net/. [↑](#footnote-ref-27)
28. NAs are considered "co-organisers" when – although the TCP activity is not organised in their country - their involvement in the activity goes beyond publicizing the event in their country, selecting participants from their country, covering costs related to their participation (e.g. travel costs, participation fee, etc.). Co-organisers are involved on equal footing with the hosting NA in the planning, implementation and evaluation of the TCP activity; their financial contribution is aimed at covering part of the overall costs of the activity (and not directly linked to the participation of country nationals). [↑](#footnote-ref-28)
29. Commission Regulation (EC, EURATOM) No 2342/2002 of 23/12/2002 laying down **detailed rules for the implementation** of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, available at <http://ec.europa.eu/budget/documents/financial_regulation_en.htm#expand_collapse> [↑](#footnote-ref-29)
30. Council Regulation (EC, Euratom) No 1605/2002 of 25/06/2002 on the **Financial Regulation** applicable to the general budget of the European Communities, available at <http://ec.europa.eu/budget/documents/financial_regulation_en.htm#expand_collapse> [↑](#footnote-ref-30)