



Application guide LIFE operating grants

Call for proposals to support Non-Governmental Organisations
financial years 2020-2021

To award operating grants for Non-Governmental Organisations (NGOs) primarily
active in the areas of environment and climate action

Call identifier: LIFE-NGO-EASME-2019

This guide provides
guidance on how to prepare applications

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1. Useful addresses

LIFE operating grants to support non-governmental organisations (NGOs) are managed by Unit B.3, LIFE and CIP Eco-Innovation, and Unit C.1 Finance of the Executive Agency for Small- and Medium-sized Enterprises (EASME) of the European Commission.

Before contacting us for any questions you may have, please read thoroughly all the Call documents.

- Internet website, including FAQ: <https://ec.europa.eu/easme/en/section/life/calls-proposals>

See also Call Section 12, for how (and within which deadlines) you can get in touch with EASME.

For details on how and where to submit proposals, please see the Call for proposals.

2. SPECIFIC RECOMMENDATIONS FOR EACH SECTION OF THE APPLICATION FORMS – FPA PROPOSAL 2020-2021

The administrative, technical and financial part of the application file consists of three sections: section A and section T, available for download as Word files, and section F, available as Excel file (F-Forms and budget overview). Link to the application forms:

<https://ec.europa.eu/easme/en/section/life/calls-proposals>

Section A

- **Form A1**

Identify the applicant organisation and responsible person (complete all required fields), then date and sign the Declaration on honour.

- **Form A2**

Applicant Legal Name: The legal name is the name under which the applicant is registered in the official trade registers (if applicable).

Legal Status: Please indicate the appropriate choice (normally “private non commercial”). Note the eligibility requirements outlined in the call for proposals, Section 5.2.

Value Added Tax (VAT) number: If applicable, provide the organisation's VAT number from the VAT register.

Legal Registration Number: if applicable, please provide the organisation's legal national registration number or code in the legal trade register, e.g. the Chamber of Commerce register or the business register.

Title: Title commonly used in correspondence with the legal representative/person in charge of proposal co-ordination. Example: Mr, Ms, Dr., Prof.

Function: Provide the function of the legal representative of the organisation (e.g.: Managing director, CEO,...) and of the contact person. (e.g.: Financial Director, Project Manager, etc.)

Legal address: The address details given in the fields which follow must be for the legal address of the organisation (field foreseen for legal representative) and of the contact person place of working if it is different from the legal address.

Country/postal code: Use the relevant postal country code. Note the eligibility requirements outlined in the call for proposals, Section 5.2.

- **Form A3**

If you have never received funding before, please indicate “NO”. If you have, please indicate “YES”. Similarly for the follow-up question.

Section T

- **Form T1**

Please list all the official member organisations of the beneficiary, European as well as non-European. Do not include members that are natural persons. If the applicant does not have a structure of formal member organisations, please list offices, network members etc.

- **Form T2**

Describe the applicant organisation's structure (including how cooperation with its members is organised), its legal status, activities and expertise. The description should help the EASME to check whether it has the experience and expertise necessary to ensure a successful implementation of the bi-annual strategic plan. Please also enclose details for the member organisations that will be actively involved in the operational implementation of the bi-annual strategic plan. Note however the limitations to eligibility of costs for members, as mentioned in the call for proposals, in particular Section 5.2).

Provide the key elements that prove that the organisation can be recognised as an independent, non-profit-making NGO and primarily active in the field of environment and/or climate action (eligibility criteria 1, 2 and 3 of the call for proposals) as well as the elements necessary to assess whether it can qualify as an organisation with activities and structure covering at least three EU Member States (eligibility criterion 5 of the call for proposals).

- **Form T3**

Please tick the relevant checkbox(es) to identify the applicant organisation's main area(s) of work among the listed thematic priorities.

- **Forms T4**

Please note that the whole T4 section should not exceed a maximum of 50 pages.

This is the main section that will inform us of your biennial strategic plan and outlined activities during the 2 years. When filling it in, you should bear in mind the evaluation elements listed under each award criterion in the call for proposals.

Please use only the T form to describe your biennial strategic plan. Annexes with additional information should not be added as they will not be evaluated.

- **Form T4.1**

Summarise the biennial strategic plan, which is the core element of your proposal. Please follow the instructions in the application forms.

- Form T4.2

Give a description of the outlined activities foreseen in your biennial strategic plan by financial year and by work areas, using the model in this form (context, objectives, activities, channels/means, and expected outputs). For each work area, please outline first year and second year activities. Activities planned for the second year can of course be less detailed than those planned for the first year.

1) Context and specific European policies addressed

Please do not only list policies but link them to your biennial strategy. It should become clear how you plan to contribute to the policies mentioned.

2) Objectives

Refer to the two-year strategic objectives described under T.4.1 but focus on specific annual objectives.

3) Activities

Substantiate your strategy by outlining the planned actions. If you know already milestones, deliverables, events, policy contributions, or more detailed actions which you foresee to realise, you should mention them here.

Concerning input to strategic policy documents or reports, and dissemination: please describe the target groups, explain how you intend to reach those target groups and consider appropriate indicators to measure the impact of dissemination, to ensure that the target groups have been reached.

4) Channels and means used:

Please include here a description of existing or potential channels (this could include the structures described in T4.1 under 6.) as well as capacities, expertise and skills, infrastructure, tools etc. that you will mobilise / use to perform the work.

To the possible extent, indicate the type of staff foreseen to be involved in each work area in order for EASME to assess their appropriateness. If you foresee any secondment, in particular by members of the NGO (e.g. in order to increase the technical skills and capacity of the organisation), please indicate it here. Please also describe where this staff would work (i.e. at the NGO's premises or in a decentralised way).

5) Expected outputs (immediate milestones as well as medium term results/impacts, including qualitative and quantitative indicators):

If possible at this stage, outputs should be structured as:

- 1) verifiable immediate results/milestones that will be delivered during the 2 years covered by the biennial strategy and
- 2) medium term results/impacts expected to be achieved in a longer perspective. If you cannot yet quantify indicators, at least provide ranges or outline how you plan to measure them.

Examples are: contributions to expert groups, replies to stakeholder consultations on topics x & y, position papers launched, infringement procedures on xy started or advanced by the Commission on the basis of NGO information etc.

- Form T4.3

This form relates to the expected development perspectives of your organisation should you receive the NGO operating grant. It should contain a long-term view on the NGO's financial sustainability, especially in view to decrease any dependence from the LIFE operating grant.

The description of your fundraising strategy should form a core element. Furthermore you should describe how the grant is expected to improve your organisation compared to the present situation in various aspects, e.g.:

- Organisational structure and staffing
- Strategic approach
- Financial management
- Evaluation and reporting
- Internal communication
- Technical competence
- Network enlargement/new members
- Visibility
- Network capacity building through training and awareness raising relating to EU policy
- Partnerships/relations with other stakeholders
- Measures to ensure continuity of the organisation, e.g. fundraising
- Better policy impact
- Higher involvement in policy development
- Other

Start with an identification of the needs, explain how the proposed strategy will address the identified weaknesses/areas and describe the expected results.

Section F: Financial Forms

Please complete all 3 work sheets Cover page, F-Form and Budget Overview.

F-Form – Financial Viability Form

General data encoded should relate to the first financial year (2020).

Grant amount (€): represents the amount requested from the EU in this application. For the limitations to the maximum amount of EU funding that may be requested, please consult the call for proposals, Section 8.1.

External Co-funding (€) represents the sum up of all external financial sources, i.e., co-financing from member organisations other than membership fees, revenues generated by the work-programme, other sources of co-financing, other revenues.

Co-financing of the applicant (€) represents the amount of the beneficiary's own contribution (e.g.: membership fees, raising fund campaign revenues not supported by the EU,...).

t0 represents the last certified historical balance sheet and profit and loss account.

t-1 is the balance sheet prior to the last certified one.

Closing date t0 is the closing date of the last certified historical balance sheet.

Closing date t-1 is the closing date of the balance sheet prior to the last one.

Duration t0 is the number of months covered by the last historical balance sheet.

Duration t-1 is the number of months covered by the balance sheet prior to the last one.

BALANCE SHEET	CORRESPONDANCE 4th ACCOUNTING DIRECTIVE	
ASSETS	ASSETS / 4th ACCOUNTING DIRECTIVE (Article 9)	
1. Subscribed capital unpaid	A. Subscribed capital unpaid	A. Subscribed capital unpaid (including unpaid capital)
2. Fixed assets	C. Fixed Assets	
2.1. Intangible fixed assets	B. Formation expenses as defined by national law C. I. Intangible fixed assets	B. Formation expenses as defined by national law C.I.1. Cost of research and development C.I.2. Concessions, patents, licences, trade marks and similar rights and assets, if they were: (a) acquired for valuable consideration and need not be shown under C (I) (3); or (b) created by the undertaking itself C.I.3. Goodwill, to the extent that it was acquired for valuable consideration C.I.4. Payments on account
2.2. Tangible fixed assets	C.II. Tangible fixed assets	C.II.1. Land and buildings C.II.2. Plant and machinery C.II.3. Other fixtures and fittings, tools and equipment C.II.4. Payment on account and tangible assets in course of construction
2.3. Financial assets	C.III. Financial assets	C.III.1. Shares in affiliated undertakings C.III.2. Loans to affiliated undertakings C.III.3. Participating interests C.III.4. Loans to undertakings with which the company is linked by virtue of participating interest C.III.5. Investments held as fixed assets C.III.6. Other loans C.III.7. Own shares (with an indication of their nominal value or, in the absence of a nominal value, their accounting par value)
3. Current assets	D. Current assets	
3.1. Stocks	D.I. Stocks	D.I.1. Raw materials and consumables D.I.2. Work in progress D.I.3. Finished products and goods for resale D.I.4. Payment on account
3.2.1. Debtors due after one year	D.II. Debtors, due and payable after more than one year	D.II.1. Trade debtors D.II.2. Amounts owed by affiliated undertakings D.II.3. Amounts owed by undertakings with which the company is linked by virtue of participating interest D.II.4. Others debtors D.II.6. Prepayments and accrued income
3.2.2. Debtors due within one year	D.II. Debtors due and payable within a year	D.II.1. Trade debtors D.II.2. Amounts owed by affiliated undertakings D.II.3. Amounts owed by undertakings with which the company is linked by virtue of participating interest D.II.4. Others debtors D.II.6. Prepayments and accrued income
3.3. Cash at bank and in hand	D.IV. Cash at bank and in hand	D.IV. Cash at bank and in hand
3.4. Other current assets	D.III Investments	D.III.1. Shares in affiliated undertakings D.III.2. Own shares (with an indication of their nominal value or, in the absence of a nominal value, their accounting par value) D.III.3. Other investments
Total assets	Total assets	

LIABILITIES	LIABILITIES / 4th ACCOUNTING DIRECTIVE (Article 9)	
4. Capital and reserves	A. Capital and reserves	
4.1. Subscribed capital	A.I. Subscribed capital A.II. Share premium account	A.I. Subscribed capital A.II. Share premium account
4.2. Reserves	A.III. Revaluation reserve A.IV. Reserves	A.III. Revaluation reserve A.IV.1. Legal reserve, in so far as national law requires such a reserve A.IV.2. Reserve for own shares A.IV.3. Reserves provided for by the articles of association A.IV.4. Other reserves
4.3. Profit and loss brought forward from the previous years	A.V Profit and loss brought forward from the previous years	A.V Profit and loss brought forward from the previous years
4.4. Profit and loss for the financial year	A.VI. Profit or loss for the financial year	A.VI. Profit or loss for the financial year
5. Creditors	C. Creditors	
5.1.1 Long term non-bank debt	B. Provisions for liabilities and charges (> one year) C. Creditors (> one year)	B.1. Provisions for pensions and similar obligations B.2. Provisions for taxation B.3. Other provisions C.1. Debenture loans, showing convertible loans separately C.3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks C.4. Trade creditors C.6. Amounts owed to affiliated undertakings C.7. Amounts owed to undertakings with which the company is linked by virtue of participating interests C.8. Other creditors including tax and social security C.9. Accruals and deferred income
5.2.1. Long term bank debt	C. Creditors "credit institutions" (> one year)	C.2. Amounts owed to credit institutions C.5. Bills of exchange payable
5.1.2. Short term non-bank debt	B. Provisions for liabilities and charges (= one year) C. Creditors (= one year)	B.1. Provisions for pensions and similar obligations B.2. Provisions for taxation B.3. Other provisions C.1. Debenture loans, showing convertible loans separately C.3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks C.4. Trade creditors C.6. Amounts owed to affiliated undertakings C.7. Amounts owed to undertakings with which the company is linked by virtue of participating interests C.8. Other creditors including tax and social security C.9. Accruals and deferred income
5.2.2. Short term bank debt	C. Creditors "credit institutions" (= one year)	C.2. Amounts owed to credit institutions C.5. Bills of exchange payable
Total liabilities	Total liabilities	

PROFIT AND LOSS ACCOUNT	PROFIT AND LOSS ACCOUNT / 4TH ACCOUNTING DIRECTIVE (Article 23)	
6. Turnover	1. Net turnover	1. Net turnover
7. Variation in stocks	2. Variation in stock of finished goods and in work in progress	2. Variation in stocks of finished goods and in work in progress
8. Other operating income	3. Work performed by the undertaking for its own purposes and capitalized. 4. Other operating income	3. Work performed by the undertaking for its own purposes and capitalized 4. Other operating income
9. Costs of material and consumables	5. (a) Raw materials and consumables 5. (b) Other external charges	5. (a) Raw materials and consumables 5. (b) Other external charges
10. Other operating charges	8. Other operating charges	8. Other operating charges
11. Staff costs	6. Staff costs	6. (a) Wages and salaries 6. (b) social security costs, with a separate indication of those relating to pensions
12. Gross operating profit	Gross operating profit.	
13. Depreciation and value adjustments on non financial assets	7. Depreciation and value adjustments on non financial assets	7. (a) Value adjustments in respect of formation expenses and of tangible and intangible fixed assets 7. (b) Value adjustments in respect of current assets, to the extent that they exceed the amount of value adjustments which are normal in the undertaking concerned
14. Net operating profit	Gross operating profit - Depreciation and value adjustments on non-financial assets	
15. Financial income and value adjustments on financial assets	Financial income and value adjustments on financial assets	9. Income from participating interests 10. Income from other investments and loans forming part of the fixed assets 11. Other interest receivable and similar income 12. Value adjustments in respect of financial assets and of investments held as current assets
16. Interest paid	Interest paid	13. Interest payable and similar charges
17. Similar charges	Similar Charges	
18. Profit or loss on ordinary activities	Profit or loss on ordinary activities	15. Profit or loss on ordinary activities after taxation
19. Extraordinary income and charges	Extraordinary income and charges	16. Extraordinary income 17. Extraordinary charges
20. Taxes on profits	Taxes	14. Tax on profit or loss on ordinary activities 19. Tax on extraordinary profit or loss 20. Other taxes not shown under the above items
21. Profit or loss for the financial year	Profit or loss for the financial year	21. Profit or loss for the financial year

Budget Overview - Calculation of the Estimated Budget:

The estimated budget and related EU co-funding for the work programmes covering the years 2020 and 2021 **is used to determine the number of applicants that can be awarded a Framework Partnership Agreement.** It is not used for the evaluation of FPA proposals submitted in this call (however, please see the call for proposals, Section 5.5: Priority order for proposals with the same score).

Any detailed breakdown is not required to evaluate proposals submitted in this call. The information in this section shall only help applicants to anticipate eligible costs and to estimate correctly their total budget.

A more detailed budget will only need to be submitted at the time of the call for the specific grant covering the yearly work programme.

The estimated operating budget contains the following costs categories, for which the costs should fulfil the eligibility criteria referred to in the framework partnership agreement template:

a) Personnel

Staff assigned to the implementation of the work programme is understood to mean permanent or temporary staff employed by the beneficiary.

The costs of natural persons working under a contract with the partner other than an employment contract (e.g. civil contracts, free-lance contracts, expert contracts, service contracts with self-employed persons or who are seconded to the beneficiary against payment) or who are seconded to the partner by a third party against payment may also be included under such personnel costs, provided that the following conditions of article II.19.2 (a) of FPA general conditions are fulfilled:

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

The cost of staff, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, is eligible.

The salary costs should not exceed the average rates corresponding to the beneficiary's usual policy on remuneration. In addition, they should not be higher than the generally accepted rates in the market for the same kind of service.

To be eligible, costs have to comply with the *requirements of applicable tax and social legislation*. Minimum rules for contracts of paid employees are set out in EU legislation – see Council Directive 91/533/EEC of 14 October 1991 on an employer's obligation to inform

employees of the conditions applicable to the contract or employment relationship¹ – and transposed into national law, which may however be stricter.

Employment contracts must comply with the above-mentioned rules as transposed into the national law. The place of work should be indicated in the agreement between both parties, but could be other than the actual premises of the organisation, provided that such arrangements are also accepted by national legislation.

When submitting the request for a final payment, the beneficiary might be requested to provide pay slips and timesheets justifying the actual staff costs declared.

For personnel costs to count as eligible direct costs there must be a real and verifiable transfer of funds from the beneficiary organisation to cover these costs, and the assignment of the staff in question must be genuine, necessary and reasonable in relation to the activity being co-funded and to the duration of the work programme.

The cost of eventual work to be performed by external experts by means of subcontracting should not be included in staff costs but under external assistance / subcontracting.

b) Travel and subsistence

The travel and subsistence costs related to the participation in the events foreseen in the implementation of the work programme are eligible, provided that they are in line with the beneficiary's usual practices on travel costs.

Journeys must be carried out by the most direct and economic route. Economy class fares will be used as the benchmark for analysing air travel costs.

Please note that travel costs of persons not directly working on the work programme (i.e. if not part of the personnel or natural persons under contract with the beneficiary, e.g. invitees for conference speakers, volunteers, etc.) should be declared under the 'other cost' category. Travel costs related to subcontractors should be included in the subcontractor invoice and therefore declared under 'subcontracting'.

Reimbursement of travel costs from representatives of member organisations could be eligible if they would be invited to meetings organised by the beneficiary and their presence would be justified under the work programme. The cost would need to be incurred and therefore recorded in the beneficiary's accounting system.

c) Equipment and depreciation

Only equipment directly linked with the implementation of the work programme can be charged as eligible costs for the duration of the work programme.

Depreciation for purchase of equipment: the purchase costs of equipment (new or second-hand) is eligible provided that it is written off in accordance with the tax and accounting rules applicable to the beneficiary and generally accepted for items of the same kind.

Capital or Finance Leasing costs (with the possibility to buy the equipment) should be depreciated in your accountancy and therefore these costs should be charged under "Equipment". Operating Leasing costs without a possibility to buy cannot be depreciated in the balance sheets (please indicate when this is the case).

¹ [Official Journal L 288 , 18/10/1991 p. 0032 - 0035](#)

Only the portion of the equipment's depreciation corresponding to the period of eligibility for EU funding covered by the grant agreement may be taken into account by the EASME, except where the nature and/or the context of its use justifies different treatment by the EASME.

The Contracts must be awarded in accordance with Article I.4 of the Framework Partnership Agreement and Articles II.10 and II.11 of its General Conditions and the beneficiary's internal rules. In short, this means that the beneficiary must award the contract to the tender offering best value for money or, as appropriate, to the tender offering the lowest price. In doing so, he / she must avoid any conflict of interests.

d) Rental

Only rent directly linked with the implementation of the work programme can be charged as eligible costs.

Rent and charges of equipment and/or premises/offices are eligible for the duration of the work programme and, for offices, for the surface explicitly dedicated to the implementation of the work programme.

e) External assistance / sub-contracting

These are all the other contracts (not including those for the purchase of equipment or rent) that may be concluded for the purposes of carrying out the work programme. They include services undertaken by an external party in connection with the implementation of the work programme.

Beneficiaries should have the operational capacity to complete the work programme. However, when justified and necessary, parts of the work programme may be subcontracted to another person or organisation. In this case, the beneficiary shall ensure that some of the terms applicable to itself under the agreement are also applicable to the subcontractors².

The total expenditure related to sub-contracting may not exceed 30 % of the total eligible costs. Higher percentages may be considered only in exceptional and well justified cases.

It must be clearly specified in the work programme which tasks are intended to be subcontracted and why this subcontracting is necessary.

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

- a) They may only cover the execution of a limited part of the work programme;
- b) Recourse to the award of contracts must be justified having regard to the nature of the tasks covered by the work programme and what is necessary for its implementation;
- c) The tasks to be subcontracted and the corresponding estimated costs must be set out in detail in the work programme and in the budget estimate;
- d) Any recourse to the award of contracts not explicitly foreseen in the agreed work programme and in the provisional budget shall be subject to prior written authorization by the EASME. This obligation does not apply when the budgetary change remains within the limit of 20% of the total estimated eligible costs and provided that the 30% ceiling for sub-contracting is respected and provided that it is not caused by a substantial change in the work programme.

² [The terms related to liability, conflict of interests, confidentiality, publicity, evaluation, assignment and checks and audits.](#)

- e) The beneficiary shall retain sole responsibility for the implementation of the work programme and for compliance with the provisions of the agreement. The beneficiary must undertake the necessary arrangements to ensure that the winner of the contract waives all rights in respect of the EASME under the agreement;
- f) The Contracts must be awarded in accordance with Article I.4 of the Framework Partnership Agreement and Articles II.10 and II.11 of its General Conditions and the beneficiary's internal rules. The beneficiary must award the contract to the tender offering best value for money or, as appropriate, to the tender offering the lowest price. In doing so, he / she must avoid any conflict of interests;
- g) The beneficiary NGO must ensure that the terms applicable to it under the agreement are also applicable to the winner of the contract.

f) Other direct costs

This category may include costs arising from requirements imposed by the agreement such as: audit costs, financial guarantee or other direct costs (dissemination, publications, etc.) that cannot due to their nature be reported under any of the other categories.

Please note that travel costs of persons not directly working on the work programme (i.e. if not part of the personnel or natural persons under contract with the beneficiary, e.g. invitees for conference speakers, volunteers, etc.) should be declared under the 'other cost' category.

Furthermore it may include all the structural and support costs of an administrative, technical and logistical nature and the running costs of the organisation, such as communication costs (telephone, fax, internet & e-mail, postage), insurance, maintenance of office equipment, consumable and supplies, bank charges, etc.

The Contracts must be awarded in accordance with Article I.4 of the Framework Partnership Agreement and Articles II.10 and II.11 of its General Conditions and the beneficiary's internal rules. The purchase of the other costs must follow the principles of best value for money (or, as appropriate, of selection of the tender offering the lowest price) and avoidance of conflict of interests.

Income of the estimated budget

Total income must be in balance with total expenditure. The income side of the budget must show:

- The direct monetary (cash) contribution from the beneficiary's own resources (including membership fees) and/or the contribution from any other fund providers, including members of the organisation or network contribution. This means an effective income, a financial flow that can be traced in the written accounts of the beneficiary.
- Any income expected to be generated by the implementation of the work programme should be detailed (e.g. the yield from sales of publications or the fees charged to participants attending a conference, membership contributions excluding membership fees, financial interest, etc.)
- The grant sought from the EASME.

3. SPECIFIC RECOMMENDATIONS FOR EACH SECTION OF THE APPLICATION FORMS – Specific Grant Agreement CALL 2019

The application file consists of three sections, sections A (administrative forms) and T (technical work programme), available as word files, and section F (estimated budget), available as an Excel-file. Please find here a link to these files: <https://ec.europa.eu/easme/en/section/life/calls-proposals>

Section A

Section A only consists of one form, the A2 form. For filling it, please see section 2 above.

Section T

Please note that the whole T section should not exceed a maximum of 20 pages.

Section T will inform us of your work programme. When filling it in, you should bear in mind the award criteria published in the call, Section 6.

We encourage you to make use of your FPA application, extracting only the information for the financial year 2020.

Please use only this section T to describe your work programme for the financial year of 2020. Annexes with additional information should not be added as they will not be evaluated.

- Form T4

Please note that you cannot have two operating grants for which you receive EU funding at the same time. Furthermore, if you request indirect costs in the framework of an action grant and you are, at the same time, beneficiary of an operating grant, you should refer to the conditions of your action grant in order to avoid double funding. Double-funding of the same actions is not allowed.

Please follow further instructions included in the application forms.

Section F

- Form F0 – Estimated Operating Budget – Summary

The estimated operating budget consists of **Part A**: Eligible expenditure/costs categories and **Part B**: Income and revenues. Most cells of Parts A and B of Form F0 are filled in automatically (extracted from the other forms of the workbook), therefore forms F1-F7 must be filled in first.

For a detailed description of different cost categories please refer to section 2 of this guide.

Part B: Income and revenues: The following categories are used:

- a) **Contribution requested from the EU:** specify the amount of financial contribution requested from the EU.
- b) **Contribution of the applicant:** specify the amount of own financial contribution.

Aside from some cells of Part A and Part B, **Form F0** contains two sections where data should be entered for information purposes: **Part C:** Ineligible expenditure and **Part D:** Income outside the work programme.

Part C: Ineligible expenditure (Form 0)

It shall consist of all costs of the organization that are not associated with the operating budget of the work programme. They may include costs assigned for activities outside the work programme, costs planned for actions covered by other EU financing, cost for creating or increasing a reserve.

Part D: Income outside the work programme. (Form 0)

It shall contain all other sources of financing that are not included in the operating budget of the work programme.

- Form F1 –Revenues and other sources of co-financing

- a) **Contribution of the applicant:** specify the amount of own financial contribution, including statutory fees that contribute to the work programme received from member organizations or partners ("membership fees").

- b) **Co-financing from member organisations:** the amount is the sum of all financial contributions provided in cash by members of the organisation/network in the form of other contributions. Important: do not include funding obtained from other sources than the members.

- c) **Other sources of co-financing:** the amount is the sum of financial contributions of all public and private co-financers other than the EU or member organizations, as indicated in the form F1. Please note that co-financing implies a transfer of financial resources from the co-financing organisation to the beneficiary.

- d) **Other revenues:** specify all other financial revenues assigned for the implementation for the work programme.

- Form F2 – Personnel

Staff's name – all persons employed under the work programme shall be listed, each in a separate line.

Function: the following categories should be used: management/coordination; project staff, accountant, secretaries, temporary staff, other staff.

Daily salary cost: indicate the gross salary or wages per day plus obligatory social charges but excluding any other costs. The salary for a category may be based on indicative average rates. If temporary staff is employed please indicate the gross salary for the full period employed.

Number of days: indicate number of days assigned for the work programme as in the employment's contract or as estimated and supported with timesheets if not mentioned in the employment contract.

Total number of staff employed for the work programme: indicate the total number of staff employed for the work programme

- Form F3 – Travel and subsistence

Destination: Please select the corresponding type of destination: national, international inside EU, international outside EU.

Explanation of assumptions: Provide a brief and clear explanation about the assumption used to calculate the travel and subsistence costs.

Average costs per travel per person and number of travels: Please insert the average costs per travel per person and the total number of travels. The field 'average costs per travel per person' should contain the average cost for one person including travel and subsistence costs (they cover hotel costs, meals, sundry expenses, local transport etc.). The field 'number of travels' should contain the number of travels per person (i.e. if two persons are traveling three times to a coordination meeting, then the number of travels is '6').

Travel costs shall be charged in accordance with the internal rules of the beneficiary and not exceed scales recognised for the economy class fares. Beneficiaries and partners should endeavour to travel in the most economical and environmentally friendly way. Indicate travel unit costs, for this purpose you may refer to data from past experiences or quotes from a travel agent.

Only costs for travel and subsistence must be included here. Costs related to the attendance of conferences, such as conference fees, should be reported under "Other direct costs".

Only travel costs of staff members should be reported under this category, travel costs of persons not part of the NGO should be reported under other direct

costs if linked to the work-programme (or included in the subcontracting costs for subcontractors).

- Form F4 – Equipment and depreciation

Supplier/selection procedure: Specify the legal name of the supplier (if already known), specify the procedure followed or foreseen to select the supplier, e.g. 'public tender', 'direct treaty', 'framework agreement', multiple offers, etc. Contracts must be awarded in accordance with Article I.4 of the Framework Partnership Agreement and Articles II.10 and II.11 of its General Conditions and the beneficiary's internal rules (for as far as they comply with the aforementioned Articles)..

Description: give a clear description of each item e.g. "desk", "computer", "database", "software", etc.

Purchase cost: indicate the purchase cost of the equipment.

Number of months used: indicate the number of months the equipment will be used during the work programme. Only the portion of the equipment's depreciation corresponding to the period of eligibility for EU funding covered by the grant agreement may be taken into account by the EASME, except where the nature and/or the context of its use justifies different treatment by the EASME.

Depreciation in months: this corresponds to the depreciation rate reported in months. The applicant shall apply their internal accounting standards to calculate the rate of depreciation applicable for each item. To do this they shall take into account the date of purchase. Please do not delete the number 1 in the empty lines, otherwise the TOTAL sum will not be added up correctly.

% allocation to the work programme: indicate the rate of allocation to the work programme.

Capital or Finance Leasing costs (with the possibility to buy the equipment) should be depreciated in your accountancy and therefore these costs should be charged under "Equipment".

- Form F5 – Rental

Supplier/selection procedure: specify the legal name of the supplier (if already known), specify the procedure followed or foreseen to select the supplier, e.g. 'public tender', 'direct treaty', 'framework agreement', multiple offers, etc. Contracts must be awarded in accordance with Article I.4 of the Framework Partnership Agreement and Articles II.10 and II.11 of its the General Conditions and the beneficiary's internal rules (for as far as they comply with the aforementioned Articles)

Description: give a clear description of each item e.g. "office", type of equipment, etc.

Rental costs: indicate the full cost of the rent. Rent of premises/offices is eligible for the duration and the surface dedicated to the implementation of the work programme. Rent of equipment is eligible for the duration of the work programme.

% allocation to the work programme: indicate the rate of allocation to the work programme.

Operating Leasing costs without a possibility to buy the equipment cannot be depreciated in your accountancy. Therefore, those costs should be reported under rental category.

- Form F6 – External assistance/subcontracting

Provider/selection procedure: specify the legal name of the subcontractor, specify the procedure followed or foreseen to sub-contract to the provider, e.g. 'public tender', 'direct treaty', 'framework agreement', multiple offers, etc. Subcontracts must be awarded in accordance with Article I.4 of the Framework Partnership Agreement and Articles II.10 and II.11 of its the General Conditions and the beneficiary's internal rules (for as far as they comply with the aforementioned Articles)

Description: give a clear description of the subject of the subcontract/service to be provided. e.g. 'carry out impact assessment', 'maintenance of ...', 'renting of ...', 'consultancy on ...', 'web page development', etc.

Reference to activity: Please provide the reference of the subcontracted activity as mentioned in Section T (T forms).

- Form F7 – Other direct costs

Supplier/selection procedure: specify the legal name of the supplier, specify the procedure followed or foreseen to select the supplier, e.g. 'public tender', 'direct treaty', 'framework agreement', multiple offers, etc. Contracts must be awarded in accordance with Article I.4 of the Framework Partnership Agreement and Articles II.10 and II.11 of its the General Conditions and the beneficiary's internal rules (for as far as they comply with the aforementioned Articles)

Description: give a clear description of the other costs, e.g. costs related to the audit of the final cost statement for the work programme by an independent, registered auditor, general consumables supplies, such as telephone, communication costs, heating, paper, copies, etc.

% allocation to the work programme: indicate the rate of allocation to the work programme.

4. MAIN FINANCIAL AND MANAGEMENT RULES

4.1 How the grant amount will be calculated

The EASME calculates the grant amount (EU contribution) as a percentage (maximum 60 %) of the total eligible costs of the implementation of the work programme. The selection of an application by the EASME does not constitute an undertaking to award a financial contribution equal to the amount requested by the beneficiary. The EASME reserves the right to reduce the grant amount requested if the proposal includes elements considered too expensive or not eligible. In addition, since there is a limited overall budget for the funding programme, the EASME reserves the right to propose a level of support lower than that requested.

On the maximum possible EU funding, please read carefully the Call, Section 8.1.

4.2 How the final amount of the grant will be determined

The final amount of the grant will be determined after the end of the period of eligibility for funding on the basis of the costs actually incurred by the beneficiary in carrying out the work programme.

If the actual expenditure turns out to be lower than the budgeted expenditure, then the actual grant will also be reduced by the percentage contribution that will remain the same.

If the actual expenditure turns out to be higher than the budgeted expenditure, then the EU grant will not be increased.

A mere forecast of expenditure does not give entitlement to a grant. This is why the final grant amount cannot be calculated until the EASME has received the final activity report and the final financial statement of the receipts and expenditure. In order to be accepted as actual costs, the expenditure that is committed to the implementation of the work programme must correspond to payments made by the beneficiary before the final date for reporting as evidenced by invoices (to be kept by the beneficiary) or equivalent supporting documents. It must also relate to actual and not expected costs or estimated/ budgeted costs.

4.3 Bank account

Pre-financing payment will be made to the beneficiary's bank account or sub-account denominated in Euro. This account or sub-account indicated by the beneficiary must make it possible to identify the funds transferred by the EASME.

4.4 Ex-post audits

The beneficiary may be audited by EASME/the Commission or by another outside body authorised by EASME/the Commission to check that the work programme and the provisions of the agreement are being properly implemented.

Such audits may be carried out throughout the period of implementation of the agreement until the balance is paid and for a period of five years from the date of payment of the

balance. This period is limited to three years if the maximum amount of the grant is not more than EUR 60.000. Where appropriate, the audit findings may lead to recovery decisions by the EASME. The beneficiary shall keep at the EASME's disposal all original documents, including accounting and tax records, original invoices and related supporting documents, or, in exceptional and duly justified cases, certified copies of original documents relating to the agreement for a period of five years (or three, see before) from the date of payment of the balance.

4.5 Payment scheme

Following the award of a grant and after the signatures of the specific grant agreement by both parties, a maximum of 60 % of its contribution will be paid as a pre-financing payment, unless otherwise specified in the Specific Grant Agreement (see art. 5). The payment of the balance of the EU grant is subject to the approval of the final activity report and will be made on the basis of the eligible costs of the work programme as calculated by the EASME on the basis of the final financial statement presented using the standard template annexed to the grant agreement. An audit report by an external registered auditor shall accompany the final financial statement for all grants exceeding €100,000.00 (a hundred thousand euros). The audit report should be made using the Standard Certificate on financial statement template, annexed to the Grant Agreement (see "**Model terms of reference for the certificate on the financial statements**" available on our website: <https://ec.europa.eu/easme/en/life-reporting>). This audit report will also be an essential element for determining the final amount of the grant once it has been established that no profit has been produced by the grant. In case of a weak financial viability of the NGO (checked during the evaluation of the FPA application), the NGO needs to provide a financial guarantee or could agree to a pre-financing in 2 instalments with an additional interim report.

4.6 How to construct the estimated budget

The budget of the work programme must be balanced and presented in Euros. Beneficiaries established in countries outside the Euro zone should be aware that they fully carry any exchange rate risk.

The partner with general accounts in a currency other than the euro must convert costs incurred in another currency into euros at the monthly accounting rate established by the Commission and published on its website applicable:

- on the day when the cost was incurred, or
- on the first working day of the month following the period covered by the financial statement concerned

See website:

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

The partner with general accounts in euros must convert costs incurred in another currency into euros in accordance with their usual accounting practices.

The budget must be balanced:

- all the items related to the implementation of the work programme must be included,
- the two totals (Part A, expenditure and Part B, income) must be equal since the available income (including the grant requested from the EASME) will have to finance the planned expenditure.

When implementing the work programme the beneficiary may adjust the estimated budget by transfers of eligible costs between budget categories, provided that this adjustment of costs does not affect the implementation of the work programme and the transfer of costs between categories does not exceed 20 % of the amount of the total eligible expenditure as indicated in the estimated operating budget.

Expenditure that is not eligible under the current work programme and corresponding income should be reported under **Part C** and **D** of the Estimated Budget Summary (sheet form F0):

- a) Costs assigned for activities outside the work programme,
- b) Actions financed by other EU sources,
- c) Reserve: in case there is a provision for the creation or increase of a financial reserve, an amount should be specified. A document providing justification for the creation or increase of a strategic reserve (pre-existing decision of the Board or similar) might be requested during the revision phase.

4.7 What expenditure is eligible for the operating grant?

In the estimated budget only expenditure necessary for the implementation of the work programme shall be included.

Furthermore, only costs incurred by the beneficiary organisation signing the grant agreement with the EASME will be considered eligible. Member organisations may participate in the implementation of the work programme, but will have to follow the same rules relating to award contracts. Otherwise, costs incurred by the member organisations or any other third parties will not be considered eligible costs.

In addition to the above rule, eligible costs of the work programme must meet the criteria detailed under Section 8.2 of the call text.

4.8 What expenditure is not eligible?

In addition to any other costs which do not fulfil the conditions set out in Article II.19.1 of the model Framework Partnership Agreement, the costs mentioned under Section 8.5 of the call text shall not be considered eligible.

4.9 What are the categories of eligible costs in the estimated budget?

The estimated operating budget (application form Section F) includes the costs categories described above, under the budget overview section, under the specific recommendations for the FPA proposal.

What rules apply to the operating grant?

Please refer to Section 8 of the call for proposals for those financial conditions that must be respected when constructing the estimated budget for the work programme as well as when managing the grant.

5. KEY REFERENCES AND WHERE TO FIND THEM

fi **IF YOU WANT MORE INFORMATION ABOUT EU FUNDING IN THE FIELD OF ENVIRONMENT/CLIMATE, CHECK THE FOLLOWING WEBSITES:**

http://ec.europa.eu/environment/funding/intro_en.htm

http://ec.europa.eu/clima/funding/index_en.htm

fi **GENERAL INFORMATION ABOUT NGO OPERATING GRANTS**

<https://ec.europa.eu/easme/en/life-who-can-apply>

fi **IF YOU ARE UNABLE TO ACCESS THESE DOCUMENTS THROUGH THE WEB OR FOR QUESTIONS RELATED TO THE NGO CALL PLEASE CONTACT THE EASME:**

EASME-LIFE-NGO@ec.europa.eu

fi **FREQUENTLY ASKED QUESTIONS:**

<https://ec.europa.eu/easme/en/section/life/calls-proposals>

6. CHECKLIST AND LIST OF SUPPORTING DOCUMENTS

General instructions:

- You must use the standard forms.
- Forms cannot be handwritten.
- Form A1 must be duly signed and dated by the applicant.
- The application should contain all the details necessary to carry out the evaluation without needing to refer to other documents.
- The proposal must be submitted on time, and it must be sent to the correct address. Submission by e-mail is not accepted.

List of documents to provide:

1. For the FPA

- The three parts of the application form (administrative, technical and financial forms A, T and F) completed with all the information requested.
- One clearly identified original full application (A, T & F forms + annexes), one (printed) copy of forms A, T & F and one CD-ROM or USB stick with the full application.
- Legal entity form, available on http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm
Plus:

Registration document: Register(s) of Companies, Official Gazette, VAT Registration, Etc.

For public bodies: Law or decree (or other official legal act) proving the establishment of the entity
- Statute of the NGO
- VAT Registration Document, if VAT is applicable
- At least one of the organisations' most recent activity reports
- Curriculum vitae or description of the profile of the persons primarily responsible (employed or sub-contracted) for managing and implementing the activities
- A list of the members of the executive board or administration (names and title/function within the applicant organisation).

- Declaration of honour certifying that the applicant is not in one of the situations referred to in Articles 136 and 137 of the Financial Regulation (Exclusion criteria), form A1
- Evidence of the NGO's financial capacity (see call, section 5.4.1)

2. For the SGA (only for selected applicants)

- The three parts of the application form (administrative, technical and financial forms A, T and F) completed with all the information requested.
- One clearly identified original full application (T & F forms + annexes related to T2 if needed) and one CD-ROM or USB stick with the full application.
- Financial identification form with supporting document if applicable (template available on:
http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial-id_en.cfm)
