



# Capacity building in the field of youth

## 2020

# Guidelines and recommendations on the use of the grant

This note has been drafted in order to assist CBY 2020 beneficiaries in implementing their project. Contrary to the Erasmus+ Programme Guide (Version 1 (2020): 05-11-2019), the Grant Agreement and its annexes, it is not a contractual document. In the event of a contradiction between this document and those already mentioned, the latter will prevail.

### General principles applicable to CBY 2020 budgets

#### *Funding principles*

The 2020 CBY grant contributes to your project implementation costs in two ways (see article I.3.2 of the grant agreement):

1. A coverage of a fixed percentage of the real/actual costs incurred;
2. A contribution in the form of a “unit cost” amount for the implementation of specific activities.

Depending on the funding principle, justification of the costs incurred (/of the activities implemented) will vary:

1. For those activities funded on a **real/actual cost** basis, beneficiaries must be able to **provide proof of the costs incurred** with the provision of detailed and duly documented copies of invoices, receipts, proofs of payments, bank transfers, etc<sup>1</sup>. It is highly recommended to provide details on the “object” of the invoice, receipt or proof of payment, etc. to allow EACEA to identify precisely the activities/goods/services for which the amount is claimed.
2. For those activities funded with **unit cost contributions**, beneficiaries must be able to **demonstrate that the activity took place** with the provision of “*proofs of activity*” (e.g. boarding passes, photos, participant testimonies, facebook pages, minutes of events, signed list of participants, reports/surveys/training material produced, etc.)<sup>1</sup> If, after verification, EACEA confirms that the activity took place -as foreseen in the grant application- and is eligible, the unit cost amount will be accepted independently from the actual cost of the activity.

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<sup>1</sup> To be provided only upon request from EACEA

## ***Co-financing***

The project budget as presented in Annex III of the grant agreement is composed of the CBY grant and the **co-financing contribution provided by the partnership** (and/or its financial sponsors). However, it must be considered as a whole, a single entity with **no differentiation between the grant and the co-financing portion**. In other words, **the same rules apply to both parts of the project budget**.

At final report stage, the EACEA will verify 100% of the costs declared in order to determine the “eligible budget”. The co-financing percentage specific to the project will then be applied to the relevant items of expenditure (i.e. all CBY activities excluding the mobility) in order to define the final grant.

For more details on those budget items subject to a co-financing requirement, see article I.3.2 of your grant agreement.

## ***Use of the project budget***

1. The project budget **can only be used for activities/expenditure explicitly foreseen in the grant application** and described in annex 1 and/or annex 3 of the grant agreement.

If the consortium intends to implement new activities or to incur unforeseen costs, it must obtain a prior authorisation from the EACEA. In the absence of such authorisation, the corresponding costs will be declared ineligible.

2. The project budget **can only be used to cover costs or to fund activities that fulfil the eligibility requirements defined in the Erasmus+ Programme Guide and that respect the conditions defined in the grant agreement**.

It is the beneficiaries’ responsibility to ensure that all the activities implemented (/costs incurred) respect these requirements/conditions. The inclusion of an activity/expenditure in the grant proposal and its reference in annex 1 or 3 of the grant agreement does not release the beneficiary from this responsibility.

3. The project budget **can only be used in order to cover costs incurred by or for the benefit of beneficiaries**. Only the coordinator and the partner organisations listed in Annex IV of the grant agreement (or any further amendment of it) are considered “beneficiaries”.

Invoices for goods or services provided by external contractors must be issued under the name of a beneficiary and must include all related costs charged by the external provider.

**Please note that beneficiaries cannot issue invoices in order to be reimbursed for their own costs.** Global invoices from beneficiaries to the coordinator listing all of their expenses will not be accepted.

4. Unless authorised in advance by the EACEA, **costs can only be incurred for activities taking place in the countries represented in the partnership**.

5. The project budget presented in Annex III of the grant agreement is an “estimated budget” that can be the object of variations during the project implementation. These variations are limited to CBY budget headings covered by “real costs”, i.e.: section 1.a. of the estimated budget in Annex III. Within this section (covering budget headings 1 to 7) **budget transfers are allowed without prior authorisation from the EACEA on the condition that they are limited to 10% of the amount of the budget category for which the transfer is intended**.

Transfers exceeding 10% must be the object of an amendment request to the EACEA.

**Transfers between budget headings funded through real costs and budget heading financed by scale of unit costs, or transfers between budget items financed by scales of unit costs are never authorized.**

6. **Payments/reimbursement in cash are accepted ONLY in exceptional circumstances** when bank transactions are not possible or not practical (e.g. for subsistence costs or local transport). At final report stage, the EACEA will reject all payments in cash that are not justified (e.g. payment of service provider, hotel reimbursement, purchase of equipment, etc.)

If necessary, beneficiaries are invited to consult their EACEA project officer in order to verify if their intended payments in cash can be authorised (with an email specifying the circumstances, the conditions, the estimated amount, etc.).

7. **Contributions in kind (e.g. under the form of intellectual outputs, the provision of services, facilities or goods free of charge) cannot be included in the project budget** and will not be considered as eligible costs at final report stage.
8. Where the implementation of the action requires the **external procurement of goods and/or services**, the beneficiaries must award the contract to the tender offering **the best value for money** and ensure there is **no conflict of interest** with the external provider. The procedure to choose the external provider should be duly documented.
9. The internal management of the project budget among the beneficiaries is left to the responsibility of the consortium in accordance with the specific situation or specific needs of individual partners. The relevant modalities must be documented in a **“Partnership Agreement” (or Memorandum of Understanding) signed by all beneficiaries**. In case of conflict between beneficiaries for the management of the CBY grant, this document may be used for settling the dispute within the partnership.
10. While **originals of the financial supporting documents must be kept by the beneficiary (/partner) that incurred the costs, readable and verifiable copies of these documents must be provided to the coordinator**. At final report stage, during the verification of the financial declaration, the EACEA reserve the right to request some of these copies and, if necessary, the originals.

<b>Specific comments applicable to individual budget headings</b>
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### Capacity building activities

#### 1. STAFF COSTS

**Staff costs can only be claimed for persons employed by a beneficiary organisation** (i.e the coordinator and the partners listed in annex 3 of the grant agreement).

They can be considered eligible only if the beneficiary organisation presents the appropriate documentation such as employment contract(s) for permanent staff, contracts for temporary staff engaged for the execution of the project, payment slips, bank transfers, timesheets to identify the activities performed and the number of days/hours worked for the project, etc.

Staff costs cannot be claimed for staff working on a voluntary basis, nor for staff working in an organisation that is not a beneficiary.

## 2. ICT

A depreciation rule should be applied to any ICT equipment purchased by the project, in accordance with the usual accounting practices of the organisation (proof may be requested at final report stage).

The depreciation shall consist of an equal distribution of the loss in value of the asset over its life. For example, for a computer, the depreciation rate could be 33.33 % per year. If the computer has been purchased in the first month(s) of a two year project, the costs charged to the project will be limited to a maximum of 66,67% of the actual costs.

Please note that EACEA reserves the right to apply a depreciation rule where appropriate.

## 3. TRANSNATIONAL PROJECT MEETINGS

Costs declared under this chapter exclusively concern the transnational capacity building activities involving all or most of the beneficiary organisations. Therefore, costs linked to local, regional or national actions are not accepted in any of the categories of chapter 3.

### 3.1 Board and lodging including local transport

Please note that board, lodging and local transport are foreseen for transnational capacity building activities and only for participants coming from the participating organisations.

All costs to be declared in category 3.1 are based on real costs and must be documented by copies of invoices/receipts subject to request.

### 3.2 Visa and insurance costs

Only visa costs and insurance related to visa costs for the capacity building activities can be included in this heading. Please note that all visa-related costs in relation to the mobility activity should be integrated in the budget item 'Exceptional costs' in the part related to the mobility activity (see below).

### 3.3 Rental rooms

Please note that only the costs of renting the room (including its equipment; e.g. beamer, flip chart, videoconference equipment, etc.) will be accepted under this category.

All other costs will be declared ineligible at final report stage.

### 3.4. Interpretation costs

Interpretation services can be provided by staff members of the beneficiaries or by external providers.

In the first instance, the intellectual output of the staff member (in number of working hours/days) must be declared under "staff costs" while his/her other costs, if any, will be justified under heading 3.1 and/or 3.2.

In the second instance, an invoice from the service provider will have to be presented that includes all related costs (e.g. travel, lodging, equipment, fees, etc.). Please note that travel costs for external interpreters cannot be declared under any other heading.

### 3.5 External speakers

Please note that the intervention of external speakers should be specific and limited to the transnational capacity building activities. Invoices of external speakers should include all

related costs (e.g. fees, travel and board & lodging). Costs related to external speakers cannot be included in any other chapter.

#### 4. COSTS RELATED TO INTELLECTUAL OUTPUTS AND DISSEMINATION OF PROJECT RESULTS

This section covers the intellectual outputs delivered by external providers (i.e. a third party independent from a beneficiary) as well as all other costs related to the dissemination of the project results.

Intellectual output provided by staff members of a beneficiary for dissemination purposes must be declared under heading 1. Staff Costs.

#### 5. CONSULTATIONS, WORKSHOPS, POLLS OF YOUNG PEOPLE

The added value of activities at local/regional level must be documented at the stage of the final report.

EACEA reserves the right to reject the costs if they are not duly justified and/or in line with what was foreseen in the grant application.

#### 6. LINGUISTIC, INTERCULTURAL, TASK-RELATED PREPARATION OF PARTICIPANTS FOR MOBILITY

These costs should bring a concrete added value to the mobility activity. At final report stage, the EACEA reserves the right to reject the costs if a link with the relevant mobility activity cannot be made and/or if they are not duly justified.

Please note that **on-arrival training of volunteers:**

- in Erasmus+ Programme countries is organised by the National Agencies;
- in Western Balkan countries is organised by the SALTO SEE;
- in Eastern Partnership countries is organised by the SALTO EECA;
- in South-Mediterranean countries is organised by the SALTO EUROMED.

As a result, **the corresponding costs cannot be supported by the CBY project budget and will be considered ineligible if declared at final report stage.**

Please contact the National Agency of the sending organisation well in advance to register the volunteers concerned.

Only the costs related to on-arrival training of volunteers in other eligible partner countries (i.e. regions 5 to 13) can be considered eligible.

Please refer to the relevant section of the Erasmus+ Programme Guide (page 289) for further information on pre-departure training, on-arrival training and mid-term evaluation of volunteers.

#### 7. AUDIT

The report of factual findings on the final financial report type I (external audit) is only required **for beneficiaries whose part of the CBY grant based on real costs is higher than 60.000 EUR.**

The purpose of the audit is to provide the EACEA with a reasonable assurance that the costs as well as the receipts have been declared in the Final Financial Report in accordance with the relevant legal and financial provisions of the grant agreement.

Beneficiaries concerned are free to choose a qualified external auditor, including its statutory external auditor, provided that the following cumulative requirements are met:

- the external auditor must be independent from the beneficiaries (i.e. the coordinator and its partners);
- the external auditor must be qualified to carry out statutory audits of accounting documents in accordance with national legislation implementing the Directive on statutory audits of annual accounts and consolidated accounts or any European Union legislation replacing this Directive.

A beneficiary established in a third country must comply with equivalent national regulations in the audit field.

#### **INDIRECT COSTS**

An amount not exceeding 7% of the eligible direct costs of the project and representing the beneficiary's general administrative costs, such as telecommunication, consumables, office rent and related charges, etc. can be charged to the project.

Please note that these costs are not eligible when the beneficiary receives an operating grant from the budget of the European Union for the period concerned unless it can be demonstrated that the CBY project activities are completely separated from the activities covered by the operating grant. In case of doubt, please consult your project officer in EACEA.

#### **TRAVEL COSTS FOR CAPACITY BUILDING ACTIVITIES**

Travel costs are supported by a **unit cost contribution**.

As a result, beneficiaries must be able to demonstrate that the activity took place independently from the actual cost incurred. This demonstration will be the form of “proofs of travel” - with the name of the participant, the place and date of departure and arrival – as well as a “proof of activity” – such as attendance lists, minutes of meetings, outputs produced or delivered, etc. .

The EACEA reserves the right to reject expenses if they are not duly justified and documented.

#### **Mobility activities**

#### **ORGANISATIONAL SUPPORT**

Organisational support includes costs linked to the preparation of the activities (food, accommodation, local transport, premises, insurance, materials, dissemination, follow-up, etc.). The reimbursement is based on the duration of the stay per participant.

At final report stage, the consortium will have to provide to the EACEA participant lists signed by the participants.

#### **INDIVIDUAL SUPPORT (ONLY FOR VOLUNTEERING ACTIVITIES)**

Please note that individual support is "*pocket money*" to the volunteer for additional personal expenses.

#### **SPECIAL NEEDS SUPPORT**

Special needs support is intended for participants with disabilities and accompanying persons.

The costs incurred are covered by the project budget under the principle of “real costs” and must therefore be justified with detailed proofs of expenditure.

#### **EXCEPTIONAL COSTS**

Exceptional costs are intended to support the participation of young people with fewer opportunities, to cover the visa and vaccination related costs and to cover expensive travel costs of participants from/to outermost regions and Overseas Countries and Territories.

Please note that only insurance costs related to visa costs can be accepted. All other insurance costs are covered under the heading 'Organisational support'.

**The volunteers who participate in the volunteering activities are covered by an insurance provided by the programme.**

Enrolment of volunteers into the E+/ESC insurance plan must only be carried out by the sending organisation, via a restricted area (the link will be provided exclusively to the organisations concerned). In order to ensure the full coverage of the volunteers, organisations are invited to enrol them in the insurance scheme at least 14 days before their departure.

Exceptional expensive travel costs can be claimed only if the standard funding rules for traveling (based on the contribution to unit costs per distance band) do not cover at least 70% of the actual travel costs of participants. If awarded, the exceptional costs for expensive travel replace the standard travel grant and are eligible for a maximum up to 80% of the eligible costs incurred.