

THIS SECTION SHOULD BE FILLED IN
BY THE EU DELEGATION/EU OFFICE FOR COUNTRY ACTION PROGRAMMES
AND BY UNIT D5 FOR MULTI-COUNTRY ACTION PROGRAMMES

ANNEX TO ACTION DOCUMENT

IMPLEMENTATION - BUDGET

PART 1 - IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING

This section should include:

1) for indirect management with entrusted entities other than IPA II beneficiary:

- reasons for the choice of entrusted entity under indirect management: selection criteria, value added in comparison to other entities, etc. + fall back option
- short description of the budget implementation tasks delegated to the entrusted entity (the nature of the tasks should clearly justify the choice of the indirect management mode for the execution of the action)

2) Essential elements of the action for direct management:

Procurement:

- a) the **global** budgetary envelope reserved for procurement: EUR.....:

Do not specify any amount per contract or amount per type of contract. Should you have only one procurement contract in a given action, consider specifying the amount for the global budgetary envelope for procurement at programme level.

- b) the indicative number and type of contracts:

Type of contract (*new FWC / direct contract / specific contract based on an existing FWC / contract renewal*) and type of procurement (*service/supply/works*).

- c) indicative time frame for launching the procurement procedure:

Grant – Call for proposal (*title*):

- a) Objectives and foreseen results:
- b) The essential eligibility criteria:

Define the types of actions eligible for financing

Define the eligibility of the applicant per call for proposals – for example: their place of establishment and their type: legal entities, natural persons or groupings without legal personality, local authorities,

public bodies, international organisations, NGOs, economic actors such as SMEs, profit, or non-profit organisations.

NB: when defining the above essential eligibility criteria please bear in mind that all changes to information provided under the eligibility criteria will be substantial!

- c) The essential selection criteria are financial and operational capacity of the applicant.
- d) The essential award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action.

*If you have several calls for proposal you can also chose to write the standard text on the selection and award criteria **only once** at the end of this Section (see standard text below).*

- e) Maximum rate of EU co-financing: chose one of the following options:

Option1 – maximum rate for EU co-financing identified:

The maximum possible rate of EU co-financing for grants under this call is X % of the eligible cost of the action. *Indicate percentage rate. If different rates are envisaged specify the criteria to be followed for each call for proposals*

The maximum possible rate of EU financing may be up to 100% of the total cost of the action in accordance with Article 192 of Financial Regulation if full funding is essential for the action to be carried out. The necessity for full EU funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

Option 2 – Full EU financing identified:

The maximum possible rate of EU financing will be 100% of the total cost of the action. Full financing of the action is essential for the action to be carried out because.....

Insert justification for full financing.

- f) Indicative amount of the call:
- g) Indicative date for launch of the call for proposals:

Grant – Twinning – Call for proposal (title):

- a) Objectives and foreseen results:
- b) The essential eligibility criteria: applicants must be EU Member State administrations or mandated bodies.
- c) The essential selection criterion is the operational capacity of the applicant.
- d) The essential award criteria are technical expertise of the applicant, and the relevance, methodology and sustainability of the proposed action.

*If you have several Twinning you can also chose to write the standard text on the selection and award criteria **only once** at the end of this Section (see standard text below).*

- e) The maximum possible rate of EU financing may be up to 100% of the total cost of the action in accordance with Article 192 of Financial Regulation if full funding is essential for the action to

be carried out. The necessity for full EU funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

- f) Indicative amount of Twinning contract:
- g) Indicative date for launching the selection procedure:

Grant - Direct grant award (*title*):

- a) Objectives and foreseen results:
- b) Justification for the use of an exception to calls for proposals:

Specify the relevant provision of Article 190 of RAP providing the basis for the direct award and outline briefly the actual circumstances which explain why an entity (if known) is best placed to be awarded the grant.

- c) the name of the beneficiary;, or
- d) Where applicable: The eligibility criteria:

*Define the eligibility of the applicant in case the beneficiary is **not yet known** – for example their place of establishment and their type: legal entities, natural persons or groupings without legal personality, local authorities, public bodies, international organisations, NGOs, economic actors such as SMEs, profit or non-profit organisations.*

NB: when defining the above essential eligibility criteria please bear in mind that all changes to information provided under the eligibility criteria will be substantial!

- e) The essential selection criteria are financial and operational capacity of the applicant.

The award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action.

*If you have several direct awards you can also chose to write the standard text on the selection and award criteria **only once** at the end of this Section (see standard text below).*

- f) indicative amount of the grant:
- g) Maximum rate of EU co-financing: chose one of the following options:

Option1 – maximum rate for EU co-financing identified:

The maximum possible rate of EU co-financing for grants under this call is X % of the eligible cost of the action. *Indicate percentage rate. If different rates are envisaged specify the criteria to be followed for each call for proposals*

The maximum possible rate of EU financing may be up to 100% of the total cost of the action in accordance with Article 192 of Financial Regulation if full funding is essential for the action to be carried out. The necessity for full EU funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

Option 2 – Full EU financing identified:

The maximum possible rate of EU financing will be 100% of the total cost of the action. Full financing of the action is essential for the action to be carried out because.....

Insert justification for full financing.

h) Indicative date for signing the grant agreement:

*If you have several calls/Twinning/direct awards you can also chose to write the standard text on the selection and award criteria **only once** rather than for each grant scheme as follows:.*

Where applicable: The essential selection and award criteria for grants (including direct award):

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action.

Where applicable The essential selection and award criteria for Twinning and Twinning Light:

The essential eligibility criteria: applicants must be EU Member State administrations or mandated bodies.

The essential selection criterion is operational capacity of the applicant.

The essential award criteria are technical expertise of the applicant, and the relevance, methodology and sustainability of the proposed action.

Prize (Title):

a) Objectives and foreseen results:

b) The essential conditions for participation:

Define the types of actions eligible for the prize

Define the eligibility of the participants – in particular their place of establishment and their type: legal entities, natural persons or groupings without legal personality, local authorities, public bodies, international organisations, NGOs, economic actors such as SMEs, profit or non-profit organisations.

c) The essential award criteria:

Define criteria making it possible to assess the quality of entries with regard to the objectives pursued and the expected results and to determine objectively whether entries qualify as the winners.

d) date for the publication of the contest:

3) Grant – use of simplified cost options for grants (exceeding EUR 60.000,00 per grant agreement) for specific grants (other than Twinning):

a) Form[s] of grant and [costs] [categories of costs] covered:

Option 1:¹

[Option 1(a):² The grants [for the [...] actions] under the [...] Programme shall [exclusively] take the form of [lump sums] [and] [reimbursement on the basis of unit costs] [and] [flat-rate financing] for the [eligible costs][categories of eligible costs] specified [in point[s][...]].]

[Option 1(b):³ The grants [for the [...] actions] under the [...] Programme shall [exclusively] take either of the following forms:

(a) [lump sums] [and] [reimbursement on the basis of unit costs] [and] [flat-rate financing] calculated in accordance with the beneficiaries' [historical data] [or][usual cost accounting practices] for the [eligible costs][categories of eligible costs] specified in point[s][...];

(b) the reimbursement of eligible costs actually incurred for the [eligible costs][categories of eligible costs] specified in point[s][...].

The [categories of] eligible costs covered by the [lump sum] [reimbursement on the basis of unit costs] [flat-rate financing] are the following:

[specify each of the categories covered, by nature (e.g. direct personnel costs) or by nature and activity (e.g. direct personnel costs for communication activities)].

[Other [categories of] eligible costs shall be reimbursed on the basis of eligible costs actually incurred.]⁴The amounts of the [lump sums][unit costs][flat rate financing] to be used shall be calculated in accordance with the method set out in point 3 [and are set out in point 3].

[Option 2:⁵

[Option 2(a):⁶ The grants [for the [...] actions] under the [...] Programme shall [exclusively] take the form of [lump sums] [and] [reimbursement on the basis of unit costs] [and] [flat-rate financing] for reimbursement of eligible costs declared by beneficiaries on the basis of [lump sums] [and] [unit costs] [and] [flat rate financing] for the [eligible costs][categories of eligible costs] specified in point(s) [...].

[Option 2(b):⁷ The grants [for the [...] actions] under the [...] Programme shall [exclusively] take either of the following the forms:

(a) [lump sums] [and] [reimbursement on the basis of unit costs] [and] [flat-rate financing] for reimbursement of eligible costs declared by beneficiaries on the basis of [lump sums] [and] [unit costs] [and] [flat rate financing] calculated in accordance with their [historical data] [or][usual cost accounting practices] for the [eligible costs][categories of eligible costs] specified point[s][...];

¹ To be used where compliance with the no-profit and co-financing principles is reasonably ensured *a priori*

² To be used where the Commission imposes recourse to the simplified forms of grants as the sole financing form

³ To be used where the Commission authorises recourse to the simplified forms of grants as an alternative to other form(s) of financing

⁴ To be used if the grant does not exclusively take simplified forms ('exclusively' not inserted in Option 1(a) or 1(b))

⁵ To be used where compliance with the no-profit and co-financing principles is not reasonably ensured *a priori*

⁶ To be used where the Commission imposes declaration of simplified costs as the sole option

⁷ To be used where the Commission authorises declaration of simplified costs as an alternative to other form(s) of cost declaration

(b) the reimbursement of eligible costs actually incurred for the [eligible costs][categories of eligible costs] specified in point[s][...].

The [categories of] eligible costs to be declared on the basis of the [lump sum] [unit cost] [flat-rate financing] are the following:

[specify each of the categories covered, by nature (e.g. direct personnel costs) or by nature and activity (e.g. direct personnel costs for communication activities)].

[Other [categories of] eligible costs shall be reimbursed on the basis of eligible costs actually incurred.]⁸

[The amounts of the [lump sums][unit costs][flat rate financing] to be declared by the beneficiaries shall be calculated in accordance with the method set out in point 3 [and are set out in point 3].

b) Justification:

Please indicate why such forms of financing are considered appropriate with regards to the:

- Nature of the supported actions
- Risks of irregularities and fraud and costs of control

c) Method to determine [and update] the amounts [and amounts]':

Please define whether amounts will be determined by reference to statistical data or similar objective means, to the historical data of each beneficiary or to the usual cost accounting practices of each beneficiary.

d) No-profit and co-financing principles and absence of double financing:

For authorisation given to beneficiaries to use their usual cost accounting practices, this point shall specify the conditions those practices have to comply with.

4) Sector Budget Support

a) Eligibility for budget support

Summary of the four eligibility criteria for granting sector budget support; i.e.

- *Public policy*
- *Macroeconomic policy*
- *Public financial management*
- *Budget transparency and oversight of the budget*

b) Objectives

⁸ To be used if the grant does not exclusively take simplified forms ('exclusively' not inserted in Option 2(a) or 1(b))

⁹ The amounts are optional. This option does not apply to authorisation given to beneficiaries to use their usual cost accounting practices.

Specific contribution of budget support to the sector objectives.

c) Expected results

Expected results to which sector budget support is expected to contribute by the end of the programme. Results are linked to expected progress in terms of the eligibility criteria and the performance in implementing the sector strategy.

d) Main sector budget support activities

The main activities to implement the budget support package are policy dialogue, financial transfer, performance assessment, reporting and capacity development.

Engagement in dialogue around conditions and government reform priorities, the verification of conditions and the payment of budget support.

Any detail to be added, as appropriate.

e) Complementary actions

Overview of on-going EU actions, actions of other donors (Member States, international organisations and third countries) including funds from the EU budget and/or of the partner country/ies complementary to the present one. Assess complementarity and synergy of EU actions with others.

Complementary actions can be implemented under direct or indirect management.

For direct management complete (1) + (2) + (5) and where applicable (6)

For indirect management with the IPA II beneficiary complete (1) +(2) + (4) and where applicable (6)

For indirect management with an IO/MS body/IFI complete (1) + (2) + (3) +(4)

PART 2 - INDICATIVE ACTION BUDGET BREAKDOWN AND PLANNING FOR CONTRACTING PROCEDURES

	BUDGET (€)		TIMELINE	
IMPLEMENTATION MODALITIES	Total	EU contribution	Launch of procedure	Contract signature ¹⁰
PROCUREMENT (NO DETAILS PER TYPE OF CONTRACT SHOULD BE PROVIDED)				
GRANTS				
TWINNING				
.....				
OTHER				
.....				
TOTAL				

Timeline: QUARTER (Q1, Q2, Q3, Q4) YEAR