



## EUROPEAN COMMISSION

Directorate-General for Communications Networks, Content and Technology

Media Policy

MEDIA CONVERGENCE AND SOCIAL MEDIA

# CALL FOR PROPOSALS – Pilot Project

## Media literacy for all

### 1. INTRODUCTION – BACKGROUND

*"Media literacy" is an umbrella expression that includes all technical, cognitive, social, civic and creative capacities that allow a citizen to access the media, to have a critical understanding of the media and to interact with it. All these capacities enable the citizen to participate in the economic, social and cultural aspects of society as well as to play an active role in the democratic process. "Media" is to be understood in a broad way: including all kind of media (television, radio, press) and through all kind of channels (traditional, internet, social media).*

#### *1. Media literacy is intrinsic to a healthy democracy*

*Democracy, by definition, requires the participation of well-informed citizens. Citizens inform themselves through the media. Their relationship with the media needs to take place in a context of critical thinking. This furthermore requires certain knowledge of how the media works and how media messages are constructed.*

*There is a strong connection between media literacy and democracy. Under Article 2 of the Treaty on European Union, the Union is founded on the value of democracy. Media literacy is a tool for citizens to acquire critical thinking and become active in a democratic society.*

#### *2. Media literacy is a necessary response to a changing and increasingly complex media landscape where the pace of change is dictated by the digital revolution and by a change of behaviour and attitude on the part of citizens. It is a public policy priority to increase media literacy support for social media users.*

*Citizens, and in particular millennials increasingly receive news through social media, rather than through traditional channels, on personal devices such as smartphones and tablets. Social media use algorithms and personal data in ways that may not be transparent to users, but allows access to a wider range of sources. .*

*Citizens are increasingly content creators and co-creators on social media platforms. Content shared by citizens on social media has also become a news source. This proliferation of information creates opportunities to consume from a wider diet of media sources and to share and debate them with peers; but it also requires the ability to think critically. Fake news exploits the high velocity of social media: stories can go viral even if they are untrue. Fake news covers many different types of content, some of it illegal like hate speech or defamation: other types like "clickbait" advertising, or disinformation campaigns propagated by certain third party states, are not illegal but a source of concern. Fake news reduces trust, potentially damaging for democracy in Europe.*

*There are concerns that social media is creating echo chambers or filter bubbles, as people with similar views and values come together, potentially reducing the scope for cross-cutting debate in the public sphere.*

*Social media exchanges sometimes feature trolling and ad hominem attacks. Social media in Europe should be characterised by user responsibility and a respectful attitude to other citizens with differing views online. Media literacy might be able to contribute strategies for fostering user responsibility. User responsibility cannot be achieved through legal means except in relation to forms of speech which are already illegal, notably hate speech.*

*3. Media literacy is one of the building blocks to tackle key societal issues*

*Media literacy is an essential tool in the fight against radicalisation, to combat hate speech online and to promote fundamental rights. Policy makers are seeking to apply media literacy techniques in the area of social media and the fight against the proliferation of fake news*

*4. Media literacy is a key pillar in the fight against fake news. Policy makers need innovative strategies to inform citizens of the issues arising from information they acquire from social media platforms and the issues regarding self-created content.*

## **2. OBJECTIVES**

### ***2.1 General objective and target countries***

The objective of the Pilot Project to be financed further to this call for proposals is to test innovative actions aimed at increasing citizens' ability to think critically about content they receive through social media, including content originated by traditional media; increasing users' awareness of the truthfulness of on-line information while at the same time promoting more responsible use of the internet; and to test the feasibility and usefulness of such actions. Critical thinking includes, among other skills, the ability to distinguish information from propaganda, to deconstruct media communication and to interact through social media in a responsible way.

The target group is citizens at large, of all ages. However, some of the actions should tackle minorities, for example – people with limited formal education digital immigrants (50+) and people at risk of being socially marginalised.

The European Commission expects projects to cover at least 5 EU Member States, with a minimum coverage of 3 EU official languages.

The Commission invites applicants to identify and extend existing good practice and to test innovative actions which do not duplicate activities undertaken by other entities.

### ***2.2 Description of the activities to be funded***

A proposal for funding under the pilot project should have clearly defined objective(s) to advance/target specific area(s)/goal(s) within the field of media literacy, as defined in the background section. It should propose an adequate mixture of tools and activities to achieve those objectives. These could include:

- Projects which facilitate a more structured analysis of disinformation propagation, with effective coordination between different countries involved in the fight against misinformation. These projects should include promotional activities targeted at informing citizens and journalists.

- Innovative campaigns aimed at helping social media users to exercise critical thinking and responsibility, exploring, for example, how to harness the power of social media influencers with the aim of educating social media users in critical evaluation techniques;
- creation of multilingual online material and interactive tools to improve the capacities of citizens to acquire a critical understanding of information/images accessed via social media and how to interact with it;
- awareness-raising and efficient dissemination of the material created by the project or other similar material/activities that can be adapted to the same purpose, in particular through expert networks that can act as multipliers;
- efficient dissemination of best practice, for instance through conferences, workshops, on-line platforms and/or training programmes;
- any other relevant innovative activities aimed at developing citizens' ability to distinguish information from propaganda and fake news, to deconstruct media communication or any other capacity related to critical thinking towards the media;
- activities involving local communities or networks to tailor and make accessible some of the above tools to minorities, people with limited formal education, digital immigrants (50+) or people at risk of being socially marginalised.

The proposal should demonstrate how the tools and activities proposed may directly or indirectly benefit citizens lacking medial literacy skills and in particular the skills needed to critically evaluate content accessed via social media.

Proposals should provide a risk analysis re implementation including details of how the risks identified would be addressed.

Proposals should also provide an assessment of and a plan for the sustainability of the action(s) after the end of the project.

The length of the pilot project should be 12 months.

### 3. TIMETABLE

	Stages <sup>1</sup>	Date or indicative period
a)	Publication of the call	23 October 2017
b)	<b>Deadline for submitting applications</b>	<b>8 December 2017</b>
c)	Evaluation period	December 2017/January 2018
d)	Information to all applicants <sup>2</sup>	Q1 2018

<sup>1</sup> Stages b), c) d) (or equivalent) and e) to be repeated in case of a two-stage submission procedure.

<sup>2</sup> Art. 133 FR, 205 RAP

e)	Signature of grant agreement or notification of grant decisions	Q1 2018
f)	Starting date of the action/ work programme	Q2 2018

#### 4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of projects is estimated **EUR 500 000** (five hundred thousand euros).

Depending on the quality of the proposals, the Commission may fund up to 4 proposals with a maximum budget of 200.000€ for a proposal.

The EU co-financing is limited to a **maximum co-funding rate of 60% of eligible costs.**

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

#### 5. ADMISSIBILITY REQUIREMENTS

Applications must be sent no later than the deadline for submitting applications referred to in section 3.

Applications must be submitted in writing (see section 14), using the application form available at <https://ec.europa.eu/digital-single-market/news-redirect/605541><sup>3</sup>

Applications must be drafted in one the EU official languages.

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

#### 6. ELIGIBILITY CRITERIA<sup>4</sup>

##### 6.1 Eligible applicants

Only applications from legal entities established in the EU Member States are eligible.

For British applicants: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis of Article II.17.3 of the grant agreement.

An application may be submitted by **one** applicant, whether established specifically or not for the action, provided that:

- it is formed of one or several legal entities, all of which complying with the eligibility, non-exclusion and selection criteria set out in this call for proposals, and implementing together the proposed action;
- The application identifies the said entities.

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<sup>3</sup> Art. 131 FR.

<sup>4</sup> Art. 131 FR, 201 RAP

For the purpose of declaring eligible costs as specified under section 11.2, the entities composing the applicant shall be treated as affiliated entities.

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

- **private entity:** extract from the official journal, copy of articles of association, extract of trade or association register, certificate of liability to VAT (if, as in certain countries, the trade register number and VAT number are identical, only one of these documents is required);
- **public entity:** copy of the resolution or decision establishing the public company, or other official document establishing the public-law entity;
- **consortium:** in addition to the supporting documents referring to their legal status, consortium members will submit letters confirming their participation in the project,
- **entities without legal personality:** documents providing evidence that their representative(s) have the capacity to undertake legal obligations on their behalf.

Legal entities having a legal or capital link with applicants, which is neither limited to the action nor established for the sole purpose of its implementation, may take part in the action as affiliated entities, and may declare eligible costs as specified in section 11.2.

For that purpose, applicants shall identify such affiliated entities in the application form

## 6.2 Eligible activities

Types of activities eligible under this call for proposals:

- creation of multilingual on-line material and interactive tools to improve the capacities of citizens to acquire a critical understanding of social media and to interact with it;
- awareness-raising and efficient dissemination of the material created by the project online; or other similar material/activities that can be adapted to the same purpose, in particular through networks that can act as multipliers;
- efficient dissemination of best practice, for example through the reach of social media influencers on online platforms; conferences, workshops, on-line platforms and/or training programmes;
- social media campaigns aimed at helping citizens to interact with new media in a mindful way, including, for example the use of 'influencers' to highlight key media literacy messages regarding the creation and consumption of content via social media;
- any other relevant innovative activities that can develop citizens' ability to distinguish information from fake news including propaganda online; overcome cognitive bias and the "boomerang effect,"<sup>5</sup> to deconstruct media communication or any other capacity related to critical thinking towards the media;

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<sup>5</sup> See for instance <http://bigthink.com/age-of-engagement/study-warns-of-boomerang-effects-in-climate-change-campaigns>

- activities with local communities or expert networks to tailor and make accessible some of the above tools to minorities, people with limited formal education, digital immigrants, or people at risk of being socially marginalised.

For all tools and activities proposed it will need to be demonstrated in what way they will directly or indirectly benefit citizens lacking medial literacy skills.

Activities purely consisting in studies and academic research are not-eligible activities under this call.

## 7. EXCLUSION CRITERIA

### 7.1. Exclusion from participation:

Applicants will be excluded from participating in the call for proposals procedure if they are in any of the following situations:

- they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- they or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of res judicata;
- they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify including by decisions of the EIB and international organisations;
- they are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the RAO or those of the country where the grant agreement is to be performed;
- they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such an illegal activity is detrimental to the Union's financial interests;
- they are currently subject to an administrative penalty referred to in Article 109(1) of the Financial Rules<sup>6</sup> (hereinafter 'FR').

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Also: [https://qz.com/778767/to-tell-someone-theyre-wrong-first-tell-them-how-theyre-right/?utm\\_content=buffer13536&utm\\_medium=social&utm\\_](https://qz.com/778767/to-tell-someone-theyre-wrong-first-tell-them-how-theyre-right/?utm_content=buffer13536&utm_medium=social&utm_)

<sup>6</sup> Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union, OJ L 298, 26.10.2012, p. 1.

## 7.2. Exclusion from award:

Applicants will not be granted financial assistance if, in the course of the grant award procedure, they:

- (a) are subject to a conflict of interest;
- (b) are guilty of misrepresentation in supplying the information required by the Commission as a condition of participation in the grant award procedure or fail to supply this information;
- (c) find themselves in one of the situations of exclusion, referred to in section 7.1.

The same exclusion criteria apply to affiliated entities.

Administrative and financial penalties may be imposed on applicants, or affiliated entities where applicable, who are guilty of misrepresentation.

## 7.3. Supporting documents<sup>7</sup>

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to in articles 106(1) FR and 107 to 109 FR, filling in the relevant form attached to the application form accompanying the call for proposals and available at <https://ec.europa.eu/digital-single-market/news-redirect/605541>

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

- (i) the coordinator of a consortium signs a declaration on behalf of all applicants and their affiliated entities OR
- (ii) each applicant in the consortium signs a declaration in its name and on behalf its affiliated entities OR
- (iii) each applicant in the consortium and the affiliated entities sign each a separate declaration in their own name

## 8. SELECTION CRITERIA<sup>8</sup>

### 8.1. Financial capacity<sup>9</sup>

Applicants must be able to demonstrate stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out or the year for which the grant is awarded and to participate in its funding. The applicants' financial capacity will be assessed on the basis of the following supporting documents to be submitted with the application:

- a) Low value grants ( $\leq$  EUR 60 000):
  - a declaration on their honour.
- b) Grants  $\geq$  EUR 60 000:
  - a declaration on their honour and,  
EITHER

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<sup>7</sup> Art. 197 RAP

<sup>8</sup> Art. 132 FR, 202 RAP

<sup>9</sup> Art. 131, 132 FR, 202 RAP.

- the profit and loss account, the balance sheet for the last financial year for which the accounts were closed;
- for newly created entities, the business plan might replace the above documents.

OR

- the table provided for in the application form, filled in with the relevant statutory accounting figures, in order to calculate the ratios as detailed in the form.

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

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

On the basis of the documents submitted, if the Commission considers that financial capacity is not satisfactory, the Commission may:

- request further information;
- decide not to give pre-financing;
- decide to give pre-financing paid in instalments;
- decide to give pre-financing covered by a bank guarantee
- where applicable, require the joint and several financial liability of all the co-beneficiaries.
- reject the application.

## 8.2. Operational capacity<sup>10</sup>

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action or work programme. Moreover, applicants must demonstrate the ability to attract staff members with proven expertise in the media literacy sector and in the media sector. In this respect, applicants have to submit a declaration on their honour, and the following supporting documents:

- curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the operation (accompanied where appropriate, like in the field of research and education, by a list of relevant publications);
- the organisations' activity reports;
- an exhaustive lists of previous projects and activities performed and connected to the policy field of a given call or to the actions to be carried out;
- an inventory of natural or economic resources involved in the project.

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

## 9. AWARD CRITERIA<sup>11</sup>

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

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<sup>10</sup> Art. 131 FR, 202 RAP.

<sup>11</sup> Art. 132 FR, 203 RAP

- the relevance and feasibility of the proposed actions towards the goal of the call;
  - This includes whether the proposal fits within the scope of the call and how far it addresses the objectives in a realistic, sustainable and innovative way;
  - Feasibility includes the notion of impacts that will change behaviour or circumstances and not just outputs;
- the geographical coverage including the number of Member States;
- the effectiveness and rationality of the proposed methodology and organisation, including the timetable and monitoring; this should address the question how well the proposed methodology can achieve the proposed actions; and indicators for assessing impacts beyond mere outputs;
- the relevance and quality of the means of implementation and the resources deployed in relation to the objectives envisaged, particularly in terms of cost-effectiveness;

<b><u>Award criterion</u></b>	<b><u>Maximum score/ weighting</u></b>	<b><u>Threshold</u></b>
<u>Relevance and feasibility</u> of the proposed actions towards the goal of the call	<b>30</b>	<b>18</b>
<u>Geographical coverage</u> including the number of Member States covered	<b>20</b>	<b>12</b>
Effectiveness and rationality of the proposed <u>methodology</u> and organisation (including the timetable and monitoring)	<b>25</b>	<b>15</b>
Relevance of the <u>means of implementation and the resources</u> deployed in relation to the objectives envisaged, particularly in terms of cost-effectiveness and sustainability.	<b>25</b>	<b>15</b>
<b>TOTAL</b>	<b>100</b>	<b>60</b>

Minimum score per criterion (threshold): Proposals scoring less than 60% of the maximum score for any award criterion will be considered of insufficient quality and rejected.

Minimum total score (threshold): Proposals with a total score of less than 60 points at the end of the evaluation process will be considered of insufficient quality and rejected.

## **10. LEGAL COMMITMENTS<sup>12</sup>**

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

The 2 copies of the original agreement must be signed first by the beneficiary on behalf of the consortium and returned to the Commission immediately. The Commission will sign it last.

Please note that the award of a grant does not establish an entitlement for subsequent years.

## **11. FINANCIAL PROVISIONS**

### **11.1 Eligible costs<sup>13</sup>**

Eligible costs of the action are costs actually incurred by the beneficiary and which meet the following criteria:

- (a) they are incurred within the implementation period, with the exception of costs relating to the request for payment of the balance and the corresponding supporting documents referred to in Article I.4.4;
- (b) they are indicated in the estimated budget of the action. The estimated budget is set out in Annex III;
- (c) they are incurred in connection with the action as described in Annex I and are necessary for its implementation;
- (d) they are identifiable and verifiable, in particular they are recorded in the beneficiary's accounting records and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the beneficiary's usual cost accounting practices;
- (e) they comply with the requirements of applicable tax and social legislation; and
- (f) they are reasonable, justified and comply with the principle of sound financial management, in particular regarding economy and efficiency.

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

The same criteria apply to costs incurred by the affiliated entities.

Eligible costs may be direct or indirect.

#### **11.1.1. Eligible direct costs<sup>14</sup>**

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<sup>12</sup> Art. 121 FR, 174 RAP.

<sup>13</sup> Article II.19.1 of Model grant Agreement

<sup>14</sup> Article II.19.2 of Model grant Agreement

The eligible direct costs for the action must comply with the eligibility conditions set out in Article II.19.1 of the model Grant agreement, are identifiable as specific costs directly linked to the performance of the action and which can therefore be booked to it directly, such as :

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

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

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

- (i) the person works under conditions similar to those of an employee (in particular regarding the way the work is organised, the tasks that are performed and the premises where they are performed);*
  - (ii) the result of the work belongs to the beneficiary (unless exceptionally agreed otherwise); and*
  - (iii) the costs are not significantly different from the costs of staff performing similar tasks under an employment contract with the beneficiary;*
- (b) *costs of travel and related subsistence allowances, provided that these costs are in line with the beneficiary's usual practices on travel;*
- (c) *the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset:*
- (i) is written off in accordance with the international accounting standards and the beneficiary's usual accounting practices; and*
  - (ii) has been purchased in accordance with the rules on implementation contracts laid down in the grant agreement, if the purchase occurred within the implementation period;*

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

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

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

### **11.1.2. Eligible indirect costs**<sup>15</sup>

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

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

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

### **11.2 Ineligible costs**<sup>16</sup>

In addition to any other costs which do not fulfil the conditions set out in Article II.19.1 of the model grant agreement, the following costs may not be considered eligible:

- a) *return on capital and dividends paid by a beneficiary;*
- b) *debt and debt service charges;*
- c) *provisions for losses or debts;*
- d) *interest owed;*
- e) *doubtful debts;*
- f) *exchange losses;*

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<sup>15</sup> Article II.19.3 of Model grant Agreement

<sup>16</sup> Article II.19.4 of Model grant Agreement

- g) *costs of transfers from the Commission charged by the bank of a beneficiary;*
- h) *costs declared by the beneficiary under another action receiving a grant financed from the Union budget. Such grants include grants awarded by a Member State and financed from the Union budget and grants awarded by bodies other than the Commission for the purpose of implementing the Union budget. In particular, beneficiaries receiving an operating grant financed by the EU or Euratom budget cannot declare indirect costs for the period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action.*
- i) *contributions in kind from third parties;*
- j) *excessive or reckless expenditure;*
- k) *deductible VAT*

### **11.3 Other financial conditions**

a) Non-cumulative award<sup>17</sup>

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

In no circumstances shall the same costs be financed twice by the Union budget. To ensure this, applicants shall indicate the sources and amounts of Union funding received or applied for the same action or part of the action or for its functioning during the same financial year as well as any other funding received or applied for the same action.<sup>18</sup>

b) Non-retroactivity<sup>19</sup>

No grant may be awarded retrospectively for actions already completed.

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

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

c) Co-financing<sup>20</sup>

Co-financing means that the resources which are necessary to carry out the action or the work programme may not be entirely provided by the EU grant.

Co-financing of the action or of the work programme may take the form of:

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

Co-financing may also take the form of in-kind contributions from third parties, i.e. non-financial resources made available free of charge by third parties to the beneficiary or to the consortium.<sup>21</sup> The corresponding costs are not eligible.

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<sup>17</sup> Art. 129 FR

<sup>18</sup> Art. 196.4 RAP.

<sup>19</sup> Art. 130 FR

<sup>20</sup> Art. 125 FR, 183 RAP.

<sup>21</sup> Art. 127 FR

d) Balanced budget<sup>22</sup>

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

The budget must be drawn up in euros.

Applicants that foresee that costs will not be incurred in euros are invited to use the exchange rate published on the Infor-euro website available at [http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/inforeuro/inforeuro\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm).

e) Implementation contracts/subcontracting<sup>23</sup>

Where the implementation of the action or the work programme requires the award of procurement contracts (implementation contracts), the beneficiary must award the contract to the bid offering best value for money or the lowest price (as appropriate), avoiding conflicts of interests and retain the documentation for the event of an audit.

In the event of procurement exceeding EUR 60 000, the beneficiary must abide by special rules as referred in the grant agreement annexed to the call. Moreover the beneficiary is expected to clearly document the tendering procedure and retain the documentation for the event of an audit.

Entities acting in their capacity of contracting authorities in the meaning of Directive 2004/18/EC<sup>24</sup> or contracting entities in the meaning of Directive 2004/17/EC<sup>25</sup> shall abide by the applicable national public procurement rules.

Sub-contracting, i.e. the externalisation of specific tasks or activities which form part of the action/work programme as described in the proposal must satisfy the conditions applicable to any implementation contract (as specified above) and in addition to them the following conditions:

- it may only cover the implementation of a limited part of the action;
- it must be justified having regard to the nature of the action and what is necessary for its implementation;
- it must be clearly stated in the proposal.

f) Financial support to third parties<sup>26</sup>.

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

## 11.4 Form of the grant

### 11.4.1 Reimbursement of costs actually incurred

The grant will be defined by applying a maximum co-financing rate of **60 %** to the **eligible costs actually incurred** and declared by the beneficiary and its affiliated entities taking into account the maximum grant amount referred to in section 4.

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<sup>22</sup> Art. 196.2 RAP

<sup>23</sup> Art. 137 FR, 209 RAP

<sup>24</sup> Directive 2004/18/EC on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts.

<sup>25</sup> Directive 2004/17/EC coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors.

<sup>26</sup> Art. 137 FR, 210 RAP.

Financing grants are calculated on the basis of a detailed estimated budget indicating clearly the costs that are eligible for EU funding. The grant amount may neither exceed the eligible costs nor the amount requested. Amounts are indicated in euros.

Consequently, part of the total eligible expenses entered in the estimative budget must be financed from sources other than the EU grant (see section 11.3c).

➤ Contributions in kind

The external co-financing may be made up of contributions in kind in order to cover other costs necessary to carry out the project. Such contributions must not exceed:

- either the costs actually borne and duly supported by accounting documents;
- or, in the absence of such documents, the costs generally accepted on the market in question.

In-kind contributions shall be presented separately in the estimated budget to reflect the total resources allocated to the action. Their unit value is evaluated in the provisional budget and shall not be subject to subsequent changes.

In-kind contributions shall comply with national tax and social security rules.

**11.4.2 Calculation of the final grant amount**

The final amount of the grant to be awarded to the beneficiary is established after completion of the action or work programme, upon approval of the request for payment containing the following documents<sup>27</sup>, *including relevant supporting documents where appropriate*:

- a final report providing details of the implementation and results of the action/work programme;
- the final financial statement of costs actually incurred;
- where applicable, a certificate on the financial statements of the action and underlying accounts<sup>28</sup>.

EU grants may not have the purpose or effect of producing a profit within the framework of the action or the work programme of the beneficiary. **Profit shall be defined as a surplus of the receipts over the eligible costs incurred by the beneficiary**, when the request is made for payment of the balance. In this respect, where a profit is made, the Commission shall be entitled to recover the percentage of the profit corresponding to the Union contribution to the eligible costs actually incurred by the beneficiary to carry out the action or work programme.

**11.5 Payment arrangements<sup>29</sup>**

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

Payment request	Accompanying documents
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<sup>27</sup> Art. 135 FR

<sup>28</sup> Art. 207.3 RAP

<sup>29</sup> Art. 90, 135 FR, 207 RAP.

<p>A <b>pre-financing payment</b><sup>30</sup> corresponding to 50 % of the grant amount</p>	<p>(a) bank guarantee (see section 11.5.1)</p>
<p>One <b>interim payment</b><sup>31</sup>.</p> <p>For the purpose of determining the amount due as interim payment, the reimbursement rate to be applied to the eligible costs approved by the Commission shall be 60%.</p> <p>The total amount of pre-financing and interim payments shall not exceed 90 % of the maximum grant amount</p>	<p>(a) interim technical report</p> <p>(b) interim financial statement</p>
<p><b>Payment of the balance</b></p> <p>The Commission will establish the amount of this payment on the basis of the calculation of the final grant amount (see section 11.4.2 above). If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the Commission through a recovery order<sup>32</sup>.</p>	<p>(a) final technical report;</p> <p>(b) final financial statement;</p> <p>(c) summary financial statement aggregating the financial statements already submitted previously and indicating the receipts</p>

The pre-financing payment<sup>33</sup> will be transferred to the beneficiary within 30<sup>34</sup> days of the date when the last of the two parties signs the agreement, provided all requested guarantees have been received.

In case of a weak financial capacity section 8.1 above applies.

#### 11.5.1 Pre-financing guarantee

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

The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the EU Member States. When the beneficiary is established in a third country, the Commission may agree that a bank or financial institution established in that third country may provide the guarantee if it considers that the bank or financial institution offers equivalent security and characteristics as those offered by a bank or financial institution established in a Member State. Amounts blocked in bank accounts shall not be accepted as financial guarantees.

The guarantee may be replaced by:

- a joint and several guarantee by a third party or,

<sup>30</sup> Article 109, 110 RAP

<sup>31</sup> Article 109, 110 RAP

<sup>32</sup> Article 109, 110 RAP

<sup>33</sup> Art. 109, 110 RAP

<sup>34</sup> Art. 92 FR

- a joint guarantee of the beneficiaries of an action who are parties to the same grant agreement.

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

## **12. PUBLICITY**

### 12.1. By the beneficiaries

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

In this respect, beneficiaries are required to give prominence to the name and emblem of the European Commission on all their publications, posters, programmes and other products realised under the co-financed project.

### 12.2. By the Commission<sup>35</sup>

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

The Commission will publish the following information:

- name of the beneficiary
- address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level<sup>36</sup> if he/she is domiciled within EU or equivalent if domiciled outside EU,
- subject of the grant,
- amount awarded.

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

## **13. DATA PROTECTION**

The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, the questions and any personal data requested are required to evaluate the application in accordance with the specifications of the call for proposal will be processed solely for that purpose by [entity acting as data controller]. Details concerning the processing of personal data are available on the privacy statement at: [http://ec.europa.eu/dataprotectionofficer/privacystatement\\_publicprocurement\\_en.pdf](http://ec.europa.eu/dataprotectionofficer/privacystatement_publicprocurement_en.pdf).

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<sup>35</sup> Art. 35, 128.3 FR, 21, 191 RAP.

<sup>36</sup> European Union Official Journal L 39, of 10 February 2007.

Personal data may be registered in the Early Warning System (EWS) only or both in the EWS and Central Exclusion Database (CED) by the Accounting Officer of the Commission, should the beneficiary be in one of the situations mentioned in:

- the Commission Decision 2008/969 of 16.12.2008 on the Early Warning System (for more information see the Privacy Statement on:

[http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/legal\\_entities/legal\\_entities\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm)),

or

- the Commission Regulation 2008/1302 of 17.12.2008 on the Central Exclusion Database (for more information see the Privacy Statement on

[http://ec.europa.eu/budget/explained/management/protecting/protect\\_en.cfm](http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm))

#### **14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS**

Proposals must be submitted in accordance with the formal requirements and by the deadline set out under section 5.

No modification to the application is allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or for the correction of clerical mistakes, the Commission may contact the applicant for this purpose during the evaluation process<sup>37</sup>.

Applicants will be informed in writing about the results of the selection process.<sup>38</sup>

➤ Submission on paper

Application forms are available at <https://ec.europa.eu/digital-single-market/news-redirect/605541>

Applications shall be submitted on the correct form, duly completed, dated, showing a balanced budget (revenue/expenditure), submitted in **five copies** (one original clearly identified as such, plus *four* copies), and signed by the person authorised to enter into legally binding commitments on behalf of the applicant organisation.

Where applicable, all additional information considered necessary by the applicant can be included on separate sheets.

Applications must be sent to the following address<sup>39</sup>:

*European Commission  
Directorate-General for Communications Networks, Content and Technology  
Directorate Media Policy – Media Convergence and Social Media (Unit I4)  
For the attention of the Head of Unit (BU25 05/181)  
1049 BRUSSELS, Belgium*

- by post, date as postmark;

- in person, date as receipt;

- by courier service, date of receipt by the courier service.

Applications sent by fax or e-mail will not be accepted, but please send an email to [CNECT\\_I4\\_ML\\_PP@ec.europa.eu](mailto:CNECT_I4_ML_PP@ec.europa.eu) to inform us about your submission on paper.

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<sup>37</sup> Art. 96 FR

<sup>38</sup> Art. 133 FR, 205 RAP

<sup>39</sup> Art. 195.3 RAP

Applicants are encouraged to include an electronic format of the proposal (e.g., USB or CD) with the printed original and copies requested. However, electronic submission is not mandatory.

➤ Contacts

*Mr Paolo Cesarini, Tel. +32 2 29 951286*

*e-mail: CNECT\_I4\_ML\_PP@ec.europa.eu*

➤ Annexes:

- Application form
- Checklist of documents to be provided
- Model grant agreement and its annexes