



Information Measures on CAP (IMCAP)

Kick off meeting - Legal and financial set up of grants

14 September 2022

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Grant agreement - IMCAP-2022-INFOME

Set the terms and conditions for the implementation of the action

- Duration
- Amount and funding rate
- Eligible costs
- Reporting and payment
- Checks and audits

Mono-beneficiary

- Only one legal entity
- Third parties are not parties of the grant

Signed electronically



AGENDA

The Grant agreement preparation (GAP) - Completed

The Grant agreement implementation:

- **Beneficiary and third parties**
- **Start date and amount**
- **Eligible costs**
- **Reporting and payments**
- **Amendment**
- **Checks and audit**
- **Practical recommendations**

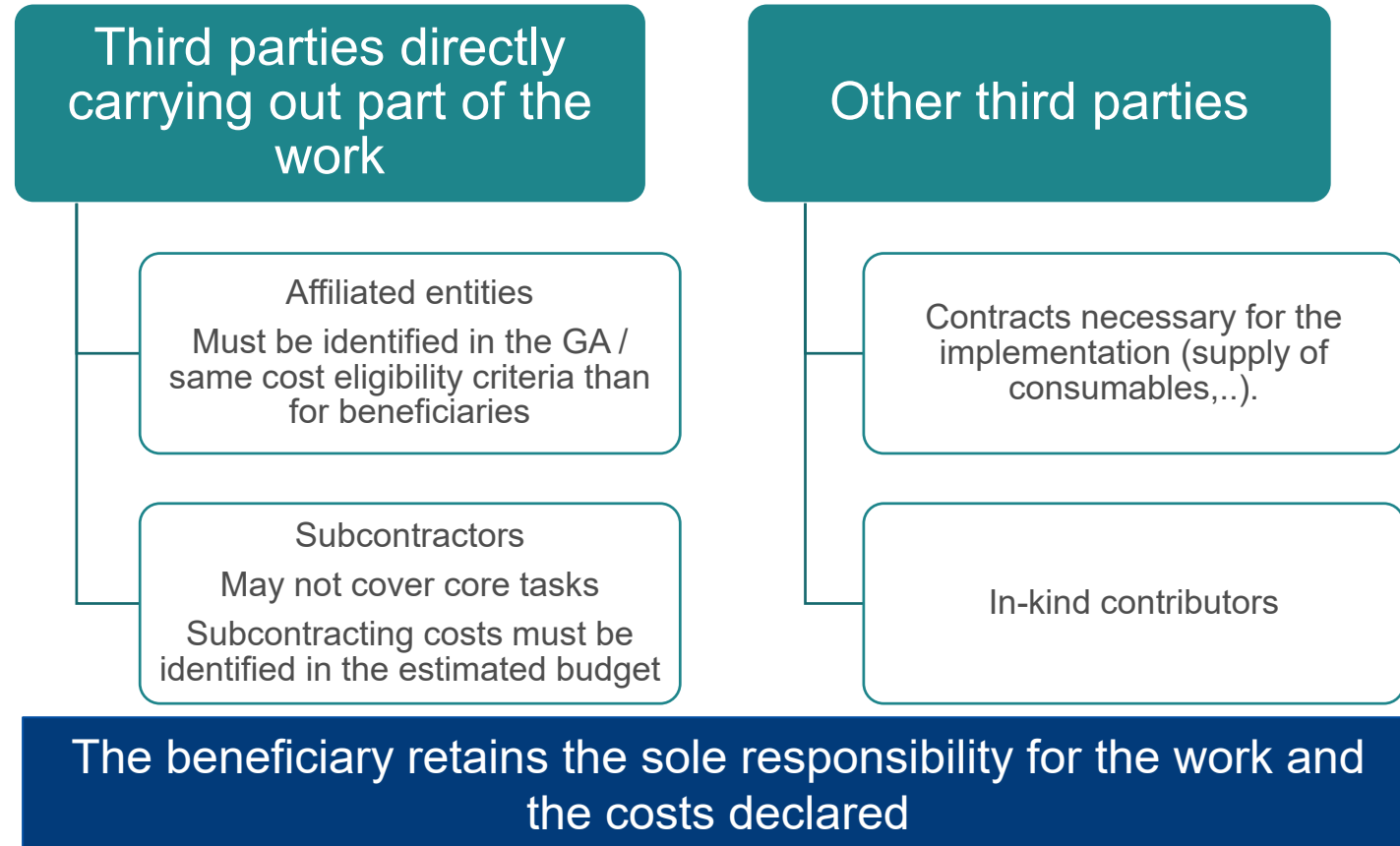
Grant agreement: What is a third party ?

→ A legal entity which:

- carries out work for the action
- supplies goods or provide services for the action

BUT

- Does not sign the grant agreement
- **No responsibility towards the EC**



Grant agreement: Start date and amount

Start date / project duration

- Start date (cost eligibility) :
 - 1st day of the month after GA signature
 - Fixed start date
- maximum duration: 12 months

Maximum Amount

- a funding rate of 60 % of the **estimated** total eligible cost (direct + indirect costs)
- a flat-rate contribution of 7 % of the eligible direct costs for indirect costs

Reimbursement

- actual costs = actually incurred
- a flat-rate contribution 60% of the eligible direct costs incurred + indirect costs.
- Double ceiling: funding rate **and** total maximum amount of the grant

Grant agreement: Eligible costs?

Direct (actually incurred) ≠ Indirect (flat rate)

Incurred during the implementation period

Incurred in connection with the action and necessary

Indicated in the estimated budget

Identifiable and verifiable (accounting records);

Comply with the requirements of applicable tax and social legislation

Reasonable, justified

Comply with the principle of sound financial management (economy and efficiency)

Keep records and all relevant supporting documents



Grant agreement: Special cost eligibility rules

- Project activities must take place in one of the eligible countries
- Depreciation costs for equipment and other assets are eligible, only for the duration of the action and for the rate of the costs used for the action
- For travel, accommodation and subsistence costs, the use of unit costs is authorized according to Commission Decision of 12 January 2021
- In-kind contributions against payment are allowed
- In-kind contributions for free are not prohibited, but they are cost-neutral, i.e. cannot be declared as cost and will not be counted as receipts
- Financial support to third parties is not allowed
- VAT non-deductible is eligible but VAT paid by beneficiaries that are public bodies acting as public authority is NOT eligible

Grant agreement: Reporting and payment



- Final technical report => on the technical implementation
- Final financial statement => on the financial implementation

Grant agreement: Amendment

1. May not make changes which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants
2. Must be duly justified
3. In principle, for any increase of subcontracting cost or the addition of a new subcontractor, the amendment procedure should be followed.
4. Must be submitted through the Funding and Tenders Portal

Not necessary for transfers between different budget categories,
if the information measure is implemented as described in Annex I of the grant agreement.

Grant agreement: Checks and audit

- During or after the implementation, up to 5 years after the payment of the balance.
- All original documents must be available during a period of five years starting from the date of payment.
- The beneficiary must ensure that Commission, OLAF and European Court of Auditors can audit its third parties including subcontractors.

Grant agreement: Practical recommendations for cost submission

- The costs submitted should always be in line with the estimated budget table of the grant agreement or the last amendment (if any).
- On the Use or Resources (Cost reporting table), special attention should be given to the description of the costs which need to cover the whole amount of the costs declared.
- The submission of invoices or timesheets for staff costs is not compulsory but if it is done, then this should be presented in a structural and clear way so that the total cost can be easily verified.
- Any increase of the foreseen subcontracting cost should be approved by amendment or in accordance with article 6.2 of the GA.
- For unit costs, the supporting documents should be also kept to prove the declared number of units.
- The subcontracting cost is not allowed to LTP. If a subcontractor becomes a LTP during the duration of the project, the status must be changed via GA amendment
- Non-compliance to the above rules results in rejection of the final reports so that the cost submission is corrected.

Thank you