



EUROPEAN COMMISSION
Executive Agency for Small and Medium-sized Enterprises (EASME)

Director



GRANT AGREEMENT

NUMBER — 785001 — EXCITE 2.0

This **Agreement** ('the Agreement') is **between** the following parties:

on the one part,

the **Executive Agency for Small and Medium-sized Enterprises (EASME)** ('the Agency'), under the powers delegated by the European Commission ('the Commission'),

represented for the purposes of signature of this Agreement by Julien GUERRIER, Director, or his/her duly authorised representative

and

on the other part,

1. 'the coordinator':

CREATIVE INDUSTRY KOSICE, NO (CIKE), established in KUKUCINOVA 2, KOSICE 04001, Slovakia, VAT number: SK2022737871, represented for the purposes of signing the Agreement by director, Michal HLADKY

and the following other beneficiaries, if they sign their 'Accession Form' (see Annex 3 and Article 40):

2. **STICHTING EUROPEAN CREATIVE BUSINESS NETWORK (ECBN)**, established in Maashaven Z.z. 2, Rotterdam 3081 AE, Netherlands,

3. **ALE KOMMUN (Ale kommun)**, established in REDOVISINGSENHETEN, ALAFORS 449 80, Sweden,

4. **KULTURNI KOD (Kulturni Kod)**, established in MIRIJEVSLI VENAC 4/37, BEOGRAD 11000, Serbia, VAT number: RS103896473,

5. **Stadt Gelsenkirchen (Gelsenkirchen)**, established in Ebertstrasse 11, Gelsenkirchen 45875, Germany,

6. **CREATIVE.REGION LINZ & UPPER AUSTRIA GMBH (CREARE)**, established in LUDLGASSE 19, LINZ 4020, Austria, VAT number: ATU66270028,

7. **POLIGON, ZAVOD ZA RAZVOJ KREATIVNIHINDUSTRIJ, SOCIALNO, PODJETJE (Zavod Poligon)**, established in TOBACNA ULICA 5, LJUBLJANA 1000, Slovenia, VAT number: SI36406562,

8. **C2MASI S.L. (C2MASI S.L.)**, established in CASTRO URDIALES 8, VITORIA-GASTEIZ 01006, Spain, VAT number: ESB01462936,

Unless otherwise specified, references to ‘beneficiary’ or ‘beneficiaries’ include the coordinator.

The parties referred to above have agreed to enter into the Agreement under the terms and conditions below.

By signing the Agreement or the Accession Form, the beneficiaries accept the grant and agree to implement it under their own responsibility and in accordance with the Agreement, with all the obligations and conditions it sets out.

The Agreement is composed of:

Terms and Conditions

Annex 1	Description of the action
Annex 2	Estimated budget for the action
	Annex 2a Additional information on the estimated budget
Annex 3	Accession Forms
Annex 4	Model for the financial statements
Annex 5	Model for the certificate on the financial statements

TERMS AND CONDITIONS

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CHAPTER 1 GENERAL

ARTICLE 1 — SUBJECT OF THE AGREEMENT

This Agreement sets out the rights and obligations and the terms and conditions applicable to the grant awarded to the beneficiaries for implementing the action set out in Chapter 2.

CHAPTER 2 ACTION

ARTICLE 2 — ACTION TO BE IMPLEMENTED

The grant is awarded for the action entitled ‘**EXCITE 2.0: Entrepreneurs eXchange for Innovations in Europe — EXCITE 2.0**’ (‘**action**’), as described in Annex 1.

ARTICLE 3 — DURATION AND STARTING DATE OF THE ACTION

The duration of the action will be **24 months** as of 01/02/2018 (‘**starting date of the action**’).

ARTICLE 4 — ESTIMATED BUDGET AND BUDGET TRANSFERS

4.1 Estimated budget

The ‘**estimated budget**’ for the action is set out in Annex 2.

It contains the estimated eligible costs and the forms of costs, broken down by beneficiary and budget category (see Articles 5, 6).

4.2 Budget transfers

The estimated budget breakdown indicated in Annex 2 may be adjusted — without an amendment (see Article 39) — by transfers of amounts between beneficiaries, budget categories and/or forms of costs set out in Annex 2, if the action is implemented as described in Annex 1.

However, the beneficiaries may not add costs relating to subcontracts not provided for in Annex 1, unless such additional subcontracts are approved by an amendment or in accordance with Article 10.

CHAPTER 3 GRANT

ARTICLE 5 — GRANT AMOUNT, FORM OF GRANT, REIMBURSEMENT RATE AND FORMS OF COSTS

5.1 Maximum grant amount

The ‘**maximum grant amount**’ is **EUR 427 393.00** (four hundred and twenty seven thousand three hundred and ninety three EURO).

5.2 Form of grant, reimbursement rate and forms of costs

The grant reimburses **100%** of the eligible costs for providing financial support to third parties and **75%** of the eligible costs for the other budget categories (personnel, subcontracting, other direct costs and indirect costs) (**‘reimbursement of eligible costs grant’**; see Article 6 and Annex 2).

The estimated eligible costs of the action are EUR **511 953.79** (five hundred and eleven thousand nine hundred and fifty three EURO and seventy nine eurocents).

Eligible costs (see Article 6) must be declared under the following forms (**‘cost forms’**):

- (a) for direct **personnel costs**: as actually incurred costs (**‘actual costs’**)

Personnel costs for SME owners or beneficiaries that are natural persons not receiving a salary (see Article 6.2, Points A.3 and A.4) must be declared on the basis of the amount per unit set out in Annex 2a (**‘unit costs’**);

- (b) for direct **costs for subcontracting**: as actually incurred costs (**actual costs**);

- (c) for **direct costs of providing financial support to third parties**: on the basis of the amount(s) per unit set out in Annex 2a (**unit costs**);

- (d) for **other direct costs**: as actually incurred costs (**actual costs**);

- (e) for **indirect costs**: on the basis of a flat-rate applied as set out in Article 6.2.Point E (**‘flat-rate costs’**);

5.3 Final grant amount — Calculation

The **‘final grant amount’** depends on the actual extent to which the action is implemented in accordance with the Agreement’s terms and conditions.

This amount is calculated by the Agency — when the payment of the balance is made — in the following steps:

Step 1 – Application of the reimbursement rate to the eligible costs

Step 2 – Limit to the maximum grant amount

Step 3 – Reduction due to the no-profit rule

Step 4 – Reduction due to substantial errors, irregularities or fraud or serious breach of obligations

5.3.1 Step 1 — Application of the reimbursement rate to the eligible costs

The reimbursement rate (see Article 5.2) is applied to the eligible costs (actual costs, unit costs and flat-rate costs; see Article 6) declared by the beneficiaries (see Article 15) and approved by the Agency (see Article 16).

5.3.2 Step 2 — Limit to the maximum grant amount

If the amount obtained following Step 1 is higher than the maximum grant amount set out in Article 5.1, it will be limited to the latter.

5.3.3 Step 3 — Reduction due to the no-profit rule

The grant must not produce a profit.

‘**Profit**’ means the surplus of the amount obtained following Steps 1 and 2 plus the action’s total receipts, over the action’s total eligible costs.

The ‘**action’s total eligible costs**’ are the consolidated total eligible costs approved by the Agency.

The ‘**action’s total receipts**’ are the consolidated total receipts generated during its duration (see Article 3).

The following are considered **receipts**:

- (a) income generated by the action;
- (b) financial contributions given by third parties to the beneficiary, specifically to be used for costs that are eligible under the action.

The following are however **not** considered receipts:

- (a) financial contributions by third parties, if they may be used to cover costs other than the eligible costs (see Article 6);
- (b) financial contributions by third parties with no obligation to repay any amount unused at the end of the period set out in Article 3.

If there is a profit, it will be deducted in proportion to the final rate of reimbursement of the eligible actual costs approved by the Commission (as compared to the amount calculated following Steps 1 and 2).

5.3.4 Step 4 — Reduction due to substantial errors, irregularities or fraud or serious breach of obligations

If the grant is reduced (see Article 27), the Agency will calculate the reduced grant amount by deducting the amount of the reduction (calculated in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations, in accordance with Article 27.2) from the maximum grant amount set out in Article 5.1.

The final grant amount will be the lower of the following two:

- the amount obtained following Steps 1 to 3 or
- the reduced grant amount following Step 4.

5.4 Revised final grant amount — Calculation

If — after the payment of the balance (in particular, after checks, reviews, audits or investigations; see Article 17) — the Agency rejects costs (see Article 26) or reduces the grant (see Article 27), it will calculate the ‘**revised final grant amount**’ for the action or for the beneficiary concerned.

This amount is calculated by the Agency on the basis of the findings, as follows:

- in case of **rejection of costs**: by applying the reimbursement rate to the *revised* eligible costs approved by the Agency for the beneficiary concerned;

- in case of **reduction of the grant**: by deducting the amount of the reduction (calculated in proportion to the seriousness of the errors, irregularities or fraud or breach of obligations, in accordance with Article 27.2) from the maximum grant amount for the action or for the beneficiary concerned (see Article 5.1 and Annex 2).

In case of **rejection of costs and reduction of the grant**, the revised final grant amount will be the lower of the two amounts above.

ARTICLE 6 — ELIGIBLE AND INELIGIBLE COSTS

6.1 General conditions for costs to be eligible

‘**Eligible costs**’ are costs that meet the following criteria:

(a) for **actual costs**:

- (i) they must be actually incurred by the beneficiary;
- (ii) they must be incurred in the period set out in Article 3, with the exception of costs relating to the submission of the final report (see Article 15);
- (iii) they must be indicated in the estimated budget set out in Annex 2;
- (iv) they must be incurred in connection with the action as described in Annex 1 and necessary for its implementation;
- (v) they must be identifiable and verifiable, in particular recorded in the beneficiary’s accounts in accordance with the accounting standards applicable in the country where the beneficiary is established and with the beneficiary’s usual cost accounting practices;
- (vi) they must comply with the applicable national law on taxes, labour and social security, and
- (vii) they must be reasonable, justified and must comply with the principle of sound financial management, in particular regarding economy and efficiency;

(b) for **unit costs**:

- (i) they must be calculated as follows:

{amounts per unit set out in Annex 2a
multiplied by
the number of actual units};

- (ii) the number of actual units must comply with the following conditions:

- the units must be actually used or produced in the period set out in Article 3;
- the units must be necessary for implementing the action or produced by it, and
- the number of units must be identifiable and verifiable, in particular supported by records and documentation (see Article 13);

(c) for **flat-rate costs**:

- (i) they must be calculated by applying the flat-rate set out in Annex 2, and
- (ii) the costs (actual costs or unit costs to which the flat-rate is applied must comply with the conditions for eligibility set out in this Article;

(d) for **lump sum costs**: not applicable.**6.2 Specific conditions for costs to be eligible**

Costs are eligible if they comply with the general conditions (see above) and the specific conditions set out below, for each of the following budget categories:

- A. direct personnel costs;
- B. direct costs of subcontracting;
- C. direct costs of providing financial support to third parties;
- D. other direct costs;
- E. indirect costs.

‘Direct costs’ are costs that are directly linked to the action implementation and can therefore be attributed to it directly. They must not include any indirect costs (see Point E below).

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

A. Direct personnel costs**Types of eligible personnel costs**

A.1 Personnel costs are eligible if they are related to personnel working for the beneficiary under an employment contract (or equivalent appointing act) and assigned to the action (**‘costs for employees (or equivalent)’**). They must be limited to salaries, social security contributions, taxes and other costs included in the **remuneration**, if they arise from national law or the employment contract (or equivalent appointing act).

They may also include **additional remuneration** for personnel assigned to the action (including payments on the basis of supplementary contracts regardless of their nature), if:

- (a) it is part of the beneficiary’s usual remuneration practices and is paid in a consistent manner whenever the same kind of work or expertise is required;
- (b) the criteria used to calculate the supplementary payments are objective and generally applied by the beneficiary, regardless of the source of funding used.

A.2 The **costs for natural persons working under a direct contract** with the beneficiary other than an employment contract or **seconded by a third party against payment** are eligible personnel costs, if:

- (a) 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);

- (b) the result of the work carried out belongs to the beneficiary (unless agreed otherwise), and
- (c) the costs are not significantly different from those for personnel performing similar tasks under an employment contract with the beneficiary.

A.3 **Costs of owners** of beneficiaries that are small and medium-sized enterprises (**‘SME owners’**), who are working on the action and who do not receive a salary are eligible personnel costs, if they correspond to the amount per unit set out in Annex 2a multiplied by the number of actual hours worked on the action.

A.4 **Costs of ‘beneficiaries that are natural persons’** not receiving a salary are eligible personnel costs, if they correspond to the amount per unit set out in Annex 2a multiplied by the number of actual hours worked on the action.

Calculation

Personnel costs must be calculated by the beneficiaries as follows:

(a) for personnel costs declared as **actual costs** (i.e. budget categories A.1 and A.2):

- for persons **working exclusively on the action**:

{monthly rate for the person
multiplied by
number of actual months worked on the action}

The months declared for these persons may not be declared for any other EU grant.

The **‘monthly rate’** is calculated as follows:

{annual personnel costs for the person
divided by
12}

using the personnel costs for each full financial year covered by the reporting period concerned. If a financial year is not closed at the end of the reporting period, the beneficiaries must use the monthly rate of the last closed financial year available.

- for persons **working part-time on the action**:

{daily rate for the person
multiplied by
number of actual days worked on the action (rounded up or down to the nearest half-day)}

The number of actual hours declared for a person must be identifiable and verifiable (see Article 13).

The total number of hours declared in EU grants, for a person for a year, cannot be higher

than the annual productive hours used for the calculations of the hourly rate. Therefore, the maximum number of hours that can be declared for the grant are:

{number of annual productive hours for the year (see below)
 minus
 total number of hours declared by the beneficiary, for that person for that year, for other EU grants}.

The '**daily rate**' is calculated as follows:

{annual personnel costs for the person
 divided by
 number of individual annual productive days}.

using the personnel costs and the number of annual productive days for each full financial year covered by the reporting period concerned. If a financial year is not closed at the end of the reporting period, the beneficiaries must use the daily rate of the last closed financial year available.

The 'number of individual annual productive days' is the total actual days worked by the person in the year. It may not include holidays and other absences (such as sick leave, maternity leave, special leave, etc). However, it may include overtime and time spent in meetings, trainings and other similar activities.

The Agency may accept other calculation methods (such as, for instance, hourly rates, daily rates calculated with annual personnel costs and 215 *fixed* annual productive days or a pro-rata apportionment of the monthly salary costs), if it considers that they reflect the actual costs incurred, in a fair, objective, realistic way and if there are sufficient records to support these costs (see Article 13).

- (b) for personnel costs of SME owners or beneficiaries that are natural persons without a salary declared on the basis of **unit costs** (i.e. budget categories A.3 and A.4):

{hourly rate
 multiplied by
 number of actual hours worked on the action},

The number of actual hours declared for a person must be identifiable and verifiable (see Article 13).

The total number of hours declared in EU grants, for a person for a year, cannot be higher than the annual productive hours used for the calculations of the hourly rate. Therefore, the maximum number of hours that can be declared for the grant are:

{number of annual productive hours for the year (see below)
 minus
 total number of hours declared by the beneficiary, for that person for that year, for other EU grants}.

The hourly rate is the rate set out in Annex 2a (see Points A.3 and A.4 above).

B. Direct costs of subcontracting (including related duties, taxes and charges, such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority) are eligible if the conditions in Article 10.1.1 are met.

C. Direct costs of providing financial support to third parties

C.1 **Direct costs of providing financial support** are eligible if the conditions set out in Article 11a.1.1 are met.

D. Other direct costs

D.1 **Travel costs and related subsistence allowances** (including related duties, taxes and charges, such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority) are eligible if they are in line with the beneficiary's usual practices on travel.

D.2 The **depreciation costs of equipment, infrastructure or other assets** (new or second-hand) as recorded in the beneficiary's accounts are eligible, if they were purchased in accordance with Article 9.1.1 and written off in accordance with international accounting standards and the beneficiary's usual accounting practices.

The **costs of renting or leasing** equipment, infrastructure or other assets (including related duties, taxes and charges, such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority) are also eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.

The only portion of the costs that will be taken into account is that which corresponds to the duration of the action and rate of actual use for the purposes of the action.

D.3 **Costs of other goods and services** (including related duties, taxes and charges, such as non-deductible value added tax (VAT) paid by beneficiaries that are not public bodies acting as public authority) are eligible, if they are purchased specifically for the action and in accordance with Article 9.1.1.

Such goods and services include, for instance, consumables and supplies, dissemination, protection of results, certificates on the financial statements (if they are required by the Agreement), translations and publications.

E. Indirect costs

Indirect costs are eligible if they are declared on the basis of the flat-rate of 7% of the eligible direct costs (see Article 5.2 and Points A, B and D above).

Beneficiaries receiving an EU operating grant¹ cannot declare indirect costs for the period covered

¹ For the definition, see Article 121(1)(b) of 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 and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 218, 26.10.2012, p.1) ('**Financial Regulation No 966/2012**): '**operating grant**' means direct financial contribution, by way of donation, from the budget in order to finance the functioning of a body which pursues an aim of general EU interest or has an objective forming part of and supporting an EU policy.

by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the specific action.

6.3 Conditions for costs of linked parties to be eligible

Not applicable

6.4 Ineligible costs

‘Ineligible costs’ are:

- (a) costs that do not comply with the conditions set out above (Article 6.1 to 6.3), in particular:
 - (i) costs related to return on capital;
 - (ii) debt and debt service charges;
 - (iii) provisions for future losses or debts;
 - (iv) interest owed;
 - (v) doubtful debts;
 - (vi) currency exchange losses;
 - (vii) bank costs charged by the beneficiary’s bank for transfers from the Agency;
 - (viii) excessive or reckless expenditure;
 - (ix) deductible VAT;
 - (x) costs incurred during suspension of the implementation of the action (see Article 33);
 - (xi) in-kind contributions provided by third parties;
- (b) costs declared under another EU grant (including grants awarded by a Member State and financed by the EU budget and grants awarded by bodies other than the Agency for the purpose of implementing the EU budget); in particular, indirect costs if the beneficiary is already receiving an EU operating grant in the same period, unless they can demonstrate that the operating grant does not cover any costs of the action;
- (c) costs for staff of a national (or regional/local) administration, for activities that are part of the administration’s normal activities (i.e. not undertaken only because of the grant);
- (d) costs (especially travel and subsistence costs) for staff or representatives of EU institutions, bodies or agencies.

6.5 Consequences of declaration of ineligible costs

Declared costs that are ineligible will be rejected (see Article 26).

This may also lead to any of the other measures described in Chapter 6.

CHAPTER 4 RIGHTS AND OBLIGATIONS OF THE PARTIES

SECTION 1 RIGHTS AND OBLIGATIONS RELATED TO IMPLEMENTING THE ACTION

ARTICLE 7 — GENERAL OBLIGATION TO PROPERLY IMPLEMENT THE ACTION

7.1 General obligation to properly implement the action

The beneficiaries must implement the action as described in Annex 1 and in compliance with the provisions of the Agreement and all legal obligations under applicable EU, international and national law.

7.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 27).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 8 — RESOURCES TO IMPLEMENT THE ACTION — THIRD PARTY INVOLVED IN THE ACTION

The beneficiaries must have the appropriate resources to implement the action.

If it is necessary to implement the action, the beneficiaries may:

- purchase goods, works and services (see Article 9);
- call upon subcontractors to implement action tasks described in Annex 1 (see Article 10);
- call upon linked third parties to implement action tasks described in Annex 1 (see Article 11).

In these cases, the beneficiaries retain sole responsibility towards the Agency and the other beneficiaries for implementing the action.

ARTICLE 8a — IMPLEMENTATION OF ACTION TASKS BY BENEFICIARIES NOT RECEIVING FUNDING

Not applicable

ARTICLE 9 — PURCHASE OF GOODS, WORKS OR SERVICES

9.1 Rules for purchasing goods, works or services

9.1.1 If necessary to implement the action, the beneficiaries may purchase goods, works or services.

The beneficiaries must make such purchases ensuring the best value for money or, if appropriate, the lowest price. In doing so, they must avoid any conflict of interests (see Article 20).

The beneficiaries must ensure that the Agency, the Commission, the European Court of Auditors

(ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 17 and 18 also towards their contractors.

9.1.2 Beneficiaries that are ‘contracting authorities’ within the meaning of Directive 2004/18/EC² (or 2014/24/EU³) or ‘contracting entities’ within the meaning of Directive 2004/17/EC⁴ (or 2014/25/EU⁵) must comply with the applicable national law on public procurement.

9.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under Article 9.1.1, the costs related to the contract concerned will be ineligible (see Article 6) and will be rejected (see Article 26).

If a beneficiary breaches any of its obligations under Article 9.1.2, the grant may be reduced (see Article 27).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 10 — IMPLEMENTATION OF ACTION TASKS BY SUBCONTRACTORS

10.1 Rules for subcontracting action tasks

10.1.1 If necessary to implement the action, the beneficiaries may award subcontracts covering the implementation of certain action tasks described in Annex 1.

Subcontracting may cover only a limited part of the action.

The beneficiaries must award the subcontracts ensuring the best value for money or, if appropriate, the lowest price. In doing so, they must avoid any conflict of interests (see Article 20).

The tasks to be implemented and the estimated cost for each subcontract must be set out in Annex 1 and the total estimated costs of subcontracting per beneficiary must be set out in Annex 2. The Agency may however approve subcontracts not set out in Annex 1 and 2 without amendment (see Article 39), if:

- they are specifically justified in the periodic technical report and
- they do not entail changes to the Agreement which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants.

The beneficiaries must ensure that the Agency, the Commission, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 17 and 18 also towards their subcontractors.

² Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts (OJ L 134, 30.04.2004, p. 114).

³ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65).

⁴ Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors (OJ L 134, 30.04.2004, p. 1).

⁵ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.3.2014, p. 243).

10.1.2 The beneficiaries must ensure that their obligations under Articles 20, 21, 22 and 30 also apply to the subcontractors.

Beneficiaries that are ‘contracting authorities’ within the meaning of Directive 2004/18/EC (or 2014/24/EU) or ‘contracting entities’ within the meaning of Directive 2004/17/EC (or 2014/25/EU) must comply with the applicable national law on public procurement.

10.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under Article 10.1.1, the costs related to the subcontract concerned will be ineligible (see Article 6) and will be rejected (see Article 26).

If a beneficiary breaches any of its obligations under Article 10.1.2, the grant may be reduced (see Article 27).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 11 — IMPLEMENTATION OF ACTION TASKS BY LINKED THIRD PARTIES

Not applicable

ARTICLE 11a — FINANCIAL SUPPORT TO THIRD PARTIES

11a.1 Rules for providing financial support to third parties

11a.1.1 The beneficiaries must provide financial support in accordance with the conditions set out in Annex 1.

At a minimum, these conditions must include:

- (a) the maximum amount of financial support for each third party.

The maximum amount may not exceed EUR 6 600 for each third party, unless it is necessary to achieve the objectives of the action as described in Annex 1;

- (b) the criteria for calculating the exact amount of the financial support;
- (c) the different types of activity that qualify for financial support, on the basis of a closed list;
- (d) the persons or categories of persons that may receive financial support, and
- (e) the criteria for giving financial support.

The beneficiaries must ensure that the Commission, the Agency, the European Court of Auditors (ECA) and the European Anti-Fraud Office (OLAF) can exercise their rights under Articles 17 and 18 also towards the third parties receiving financial support.

11a.1.2 The beneficiaries must ensure that their obligations under Articles 20, 21, 22 and 30 also apply to the third parties receiving financial support.

11a.2 Financial support in the form of prizes

Not applicable

11a.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under Articles 11a.1.1 or 11a.2.1, the costs related to the financial support or prize will be ineligible (see Article 6) and will be rejected (see Article 26).

If a beneficiary breaches any of its obligations under Articles 11a.1.2 or 11a.2.2, the grant may be reduced (see Article 27).

Such breaches may also lead to any of the other measures described in Chapter 6.

SECTION 2 RIGHTS AND OBLIGATIONS RELATED TO THE GRANT ADMINISTRATION

ARTICLE 12 — GENERAL OBLIGATION TO INFORM

12.1 General obligation to provide information upon request

The beneficiaries must provide — during implementation of the action or afterwards and in accordance with Article 25.2 — any information requested in order to verify eligibility of the costs, proper implementation of the action and compliance with the other obligations under the Agreement.

12.2 Obligation to keep information up to date and to inform about events and circumstances likely to affect the Agreement

Each beneficiary must keep information stored in the Participant Portal Beneficiary Register (via the electronic exchange system; see Article 36) up to date, in particular, its name, address, legal representatives, legal form and organisation type.

Each beneficiary must immediately inform the coordinator — which must immediately inform the Agency and the other beneficiaries — of any of the following:

- (a) **events** which are likely to affect significantly or delay the implementation of the action or the EU financial interests, in particular:
 - (i) changes in its legal, financial, technical, organisational or ownership situation
- (b) **circumstances** affecting:
 - (i) the decision to award the grant or
 - (ii) compliance with requirements under the Agreement.

12.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 27).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 13 — KEEPING RECORDS — SUPPORTING DOCUMENTATION

13.1 Obligation to keep records and other supporting documentation

The beneficiaries must — for a period of **five years after the payment of the balance** — keep records and other supporting documentation in order to prove the proper implementation of the action and the costs they declare as eligible.

They must make them available upon request (see Article 12) or in the context of checks, reviews, audits or investigations (see Article 17).

If there are on-going checks, reviews, audits, investigations, litigation or other pursuits of claims under the Agreement (including the extension of findings; see Articles 17), the beneficiaries must keep the records and other supporting documentation until the end of these procedures.

The beneficiaries must keep the original documents. Digital and digitalised documents are considered originals if they are authorised by the applicable national law. The Agency may accept non-original documents if they considers that they offer a comparable level of assurance.

13.1.1 Records and other supporting documentation on the technical implementation

The beneficiaries must keep records and other supporting documentation on the technical implementation of the action, in line with the accepted standards in the respective field.

13.1.2 Records and other documentation to support the costs declared

The beneficiaries must keep the records and documentation supporting the costs declared, in particular the following:

- (a) for **actual costs**: adequate records and other supporting documentation to prove the costs declared, such as contracts, subcontracts, invoices and accounting records. In addition, the beneficiaries' usual cost accounting practices and internal control procedures must enable direct reconciliation between the amounts declared, the amounts recorded in their accounts and the amounts stated in the supporting documentation;
- (b) for **unit costs**: adequate records and other supporting documentation to prove the number of units declared. Beneficiaries do not need to identify the actual eligible costs covered or to keep or provide supporting documentation (such as accounting statements) to prove the amount per unit;
- (c) for **flat-rate costs**: adequate records and other supporting documentation to prove the eligibility of the costs to which the flat-rate is applied. The beneficiaries do not need to identify the costs covered or provide supporting documentation (such as accounting statements) to prove the amount declared at a flat-rate;
- (d) for **lump sum costs**: not applicable.

In addition, for **personnel costs** (declared as actual or unit costs), the beneficiaries must keep **time records** for the number of days/hours declared. The time records must be in writing and approved by the persons working on the action and their supervisors, at least monthly. In the absence of reliable time records of the days/hours worked on the action, the Agency may accept alternative evidence

supporting the number of days/hours declared, if it considers that it offers an adequate level of assurance.

As an exception, for **persons working exclusively on the action**, there is no need to keep time records, if the beneficiary signs a **declaration** confirming that the persons concerned have worked exclusively on the action.

13.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, costs insufficiently substantiated will be ineligible (see Article 6) and will be rejected (see Article 26), and the grant may be reduced (see Article 27).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 14 — SUBMISSION OF DELIVERABLES

14.1 Obligation to submit deliverables

The coordinator must submit:

- the following ‘**progress report(s)**’:
 - 1st progress report due by the 15th of M7, covering the period from month 1 to month 6
 - 2nd progress report due by the 15th of M13, covering the period from month 7 to month 12
 - 3rd progress report due by the 15th of M19, covering the period from month 13 to month 18
- the ‘**deliverables**’ identified in Annex 1, in accordance with the timing and conditions set out in it.

14.2 Consequences of non-compliance

If the coordinator breaches any of its obligations under this Article, the Agency may apply any of the measures described in Chapter 6.

ARTICLE 15 — REPORTING — PAYMENT REQUESTS

15.1 Obligation to submit reports

The coordinator must submit to the Agency (see Article 36) the technical and financial reports set out in this Article. These reports include the request(s) for payment and must be drawn up using the forms and templates provided in the electronic exchange system (see Article 36).

15.2 Reporting periods

The action has one ‘**reporting period**’:

- RP1: from month 1 to month 24

15.2a Request(s) for further pre-financing payment(s)

Not applicable

15.3 Periodic reports — Requests for interim payments

Not applicable

15.4 Final report — Request for payment of the balance

The coordinator must submit — within 60 days following the end of the reporting period — a final report, which includes the request for payment of the balance.

The **final report** must include the following:

(a) a '**final technical report**' containing:

- (i) an **explanation of the work carried out** by the beneficiaries;
- (ii) an **overview of the implementation** of the action, including milestones and deliverables identified in Annex 1.

This report must include explanations justifying the differences between work expected to be carried out in accordance with Annex 1 and that actually carried out;

- (iii) a **summary** for publication by the Agency;
- (iv) answers to the '**questionnaire**': answers to the questions covering issues related to the action implementation and its impact;

(b) a '**final financial report**' containing:

- (i) an '**individual financial statement**' (see Annex 4) from each beneficiary, for the reporting period.

The individual financial statement must detail the eligible costs (actual costs, unit costs and flat-rate costs; see Article 6) for each budget category (see Annex 2).

The beneficiaries must declare all eligible costs, even if — for actual costs, unit costs and flat-rate costs — they exceed the amounts indicated in the estimated budget (see Annex 2). Amounts which are not declared in the individual financial statement will not be taken into account by the Agency.

The individual financial statement(s) must also detail the **receipts of the action** (see Article 5.3.3).

Each beneficiary must **certify** that:

- the information provided is full, reliable and true;
- the costs declared are eligible (see Article 6);
- the costs can be substantiated by adequate records and supporting documentation (see Article 13) that will be produced upon request (see Article 12) or in the context of checks, reviews, audits and investigations (see Article 17), and

- that all the receipts have been declared (see Article 5.3.3);
- (ii) an **explanation** of the **use of resources** and the information on subcontracting (see Article 10) from each beneficiary, for the reporting period;
- (iii) not applicable;
- (iv) a '**final summary financial statement**', created automatically by the electronic exchange system, consolidating the individual financial statement(s) for the reporting period and including the **request for payment of the balance**;
- (v) a '**certificate on the financial statements**' (drawn up in accordance with Annex 5) for each beneficiary, if:
 - it requests an EU contribution of EUR 325 000 or more as reimbursement of actual costs and
 - the maximum grant amount indicated, for that beneficiary, in the estimated budget (see Annex 2) as reimbursement of actual costs is EUR 750 000 or more.

15.5 Information on cumulative expenditure incurred

Not applicable

15.6 Currency for financial statements and conversion into euro

Financial statements must be drafted in euro.

Beneficiaries with accounting established in a currency other than the euro, must convert the costs recorded in their accounts into euro at the average of the daily euro exchange rates published in the C series of the *Official Journal of the European Union*, calculated over the corresponding reporting period.

If no daily euro exchange rate is published in the *Official Journal of the European Union* for the currency in question, they must be converted at the average of the monthly accounting exchange rates published on the Commission's website calculated over the corresponding reporting period.

Beneficiaries with accounting established in euro, must convert costs incurred in another currency into euro according to their usual accounting practices.

15.7 Language of reports

All reports (including financial statements) must be submitted in the language of the Agreement.

15.8 Consequences of non-compliance

If the reports submitted do not comply with this Article, the Agency may suspend the payment deadline (see Article 31) and apply any of the other measures described in Chapter 6.

If the coordinator breaches its obligation to submit the reports and if it fails to comply with this

obligation within 30 days following a written reminder, the Agency may terminate the Agreement (see Article 34) or apply any of the other measures described in Chapter 6.

ARTICLE 16 — PAYMENTS AND PAYMENT ARRANGEMENTS

16.1 Payments to be made

The following payments will be made to the coordinator:

- one **pre-financing payment**;
- one **payment of the balance**, on the basis of the request for payment of the balance (see Article 15).

16.2 Pre-financing payment(s) — Amount

The aim of the pre-financing is to provide the beneficiaries with a float.

It remains the property of the EU until the payment of the balance.

The amount of the pre-financing payment will be EUR **299 175.10** (two hundred and ninety nine thousand one hundred and seventy five EURO and ten eurocents).

The Agency will — except if Article 32 applies — make the pre-financing payment to the coordinator within 30 days, either from entry into force of the Agreement (see Article 42) or from 10 days before the starting date of the action (see Article 3), whichever is the latest.

16.3 Interim payments — Amount — Calculation

Not applicable

16.4 Payment of the balance — Amount — Calculation

The payment of the balance reimburses the remaining part of the eligible costs incurred by the beneficiaries for the implementation of the action.

If the total amount of earlier payments is greater than the final grant amount (see Article 5.3), the payment of the balance takes the form of a recovery (see Article 28).

If the total amount of earlier payments is lower than the final grant amount, the Agency will pay the balance within 90 days from receiving the final report (see Article 15.4), except if Articles 31 or 32 apply.

Payment is subject to the approval of the final report. Its approval does not imply recognition of compliance, authenticity, completeness or correctness of its content.

The **amount due as the balance** is calculated by the Agency by deducting the total amount of pre-financing and interim payments (if any) already made, from the final grant amount determined in accordance with Article 5.3:

{final grant amount (see Article 5.3)

minus

{pre-financing and interim payments (if any) made}}.

If the balance is positive, it will be paid to the coordinator.

The amount to be paid may however be offset — without the beneficiaries' consent — against any other amounts owed by a beneficiary to the Agency, the Commission or another executive agency (under the EU budget), up to the maximum grant amount indicated, for that beneficiary, in the estimated budget (see Annex 2).

If the balance is negative, it will be recovered from the coordinator (see Article 28).

16.5 Notification of amounts due

When making payments, the Agency will formally notify to the coordinator the amount due, specifying that it concerns the payment of the balance.

For the payment of the balance, the notification will also specify the final grant amount.

In the case of reduction of the grant or recovery of undue amounts, the notification will be preceded by the contradictory procedure set out in Articles 27 and 28.

16.6 Currency for payments

The Agency will make all payments in euro.

16.7 Payments to the coordinator — Distribution to the beneficiaries

Payments will be made to the coordinator.

Payments to the coordinator will discharge the Agency from its payment obligation.

The coordinator must distribute the payments between the beneficiaries without unjustified delay.

Pre-financing may however be distributed only:

- (a) if 90% of the beneficiaries have acceded to the Agreement (see Article 40) and
- (b) to beneficiaries that have acceded to the Agreement (see Article 40).

16.8 Bank account for payments

All payments will be made to the following bank account:

Name of bank: PRIMA BANKA SLOVENSKO, A.S.

Full name of the account holder: KOSICE EUROPSKE HLAVNE MESTO KULTURY 2013
NO

Full account number (including bank codes):

IBAN code: SK215600000000558235001

16.9 Costs of payment transfers

The cost of the payment transfers is borne as follows:

- the Agency bears the cost of transfers charged by its bank;
- the beneficiary bears the cost of transfers charged by its bank;
- the party causing a repetition of a transfer bears all costs of the repeated transfer.

16.10 Date of payment

Payments by the Agency are considered to have been carried out on the date when they are debited to its account.

16.11 Consequences of non-compliance

16.11.1 If the Agency does not pay within the payment deadlines (see above), the beneficiaries are entitled to **late-payment interest** at the rate applied by the European Central Bank (ECB) for its main refinancing operations in euros ('reference rate'), plus three and a half points. The reference rate is the rate in force on the first day of the month in which the payment deadline expires, as published in the C series of the *Official Journal of the European Union*.

If the late-payment interest is lower than or equal to EUR 200, it will be paid to the coordinator only upon request submitted within two months of receiving the late payment.

Late-payment interest is not due if all beneficiaries are EU Member States (including regional and local government authorities or other public bodies acting on behalf of a Member State for the purpose of this Agreement).

Suspension of the payment deadline or payments (see Articles 31 and 32) will not be considered as late payment.

Late-payment interest covers the period running from the day following the due date for payment (see above), up to and including the date of payment.

Late-payment interest is not considered for the purposes of calculating the final grant amount.

16.11.2 If the coordinator breaches any of its obligations under this Article, the grant may be reduced (see Article 27) and the Agreement or the participation of the coordinator may be terminated (see Article 34).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 17 — CHECKS, REVIEWS, AUDITS AND INVESTIGATIONS — EXTENSION OF FINDINGS

17.1 Checks, reviews and audits by the Agency and the Commission

17.1.1 Right to carry out checks

The Agency or the Commission will — during the implementation of the action or afterwards — check the proper implementation of the action and compliance with the obligations under the Agreement, including assessing deliverables and reports.

For this purpose, the Agency or the Commission may be assisted by external persons or bodies.

The Agency or the Commission may also request additional information in accordance with Article 12. The Agency or the Commission may request the beneficiaries to provide such information to it directly.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

17.1.2 Right to carry out reviews

The Agency or the Commission may — during the implementation of the action or afterwards — carry out reviews on the proper implementation of the action (including assessment of deliverables and reports) and compliance with the obligations under the Agreement.

Reviews may be started **up to five years after the payment of the balance**. They will be formally notified to the coordinator or beneficiary concerned and will be considered to have started on the date of the formal notification.

If the review is carried out on a third party (see Articles 9 to 11a), the beneficiary concerned must inform the third party.

The Agency or the Commission may carry out reviews directly (using its own staff) or indirectly (using external persons or bodies appointed to do so). It will inform the coordinator or beneficiary concerned of the identity of the external persons or bodies. They have the right to object to the appointment on grounds of commercial confidentiality.

The coordinator or beneficiary concerned must provide — within the deadline requested — any information and data in addition to deliverables and reports already submitted (including information on the use of resources). The Agency or the Commission may request beneficiaries to provide such information to it directly.

The coordinator or beneficiary concerned may be requested to participate in meetings, including with external experts.

For **on-the-spot** reviews, the beneficiaries must allow access to their sites and premises, including to external persons or bodies, and must ensure that information requested is readily available.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

On the basis of the review findings, a '**review report**' will be drawn up.

The Agency or the Commission will formally notify the review report to the coordinator or beneficiary concerned, which has 30 days to formally notify observations ('**contradictory review procedure**').

Reviews (including review reports) are in the language of the Agreement.

17.1.3 Right to carry out audits

The Agency or the Commission may — during the implementation of the action or afterwards — carry out audits on the proper implementation of the action and compliance with the obligations under the Agreement.

Audits may be started **up to five years after the payment of the balance**. They will be formally

notified to the coordinator or beneficiary concerned and will be considered to have started on the date of the formal notification.

If the audit is carried out on a third party (see Articles 9 to 11a), the beneficiary concerned must inform the third party.

The Agency or the Commission may carry out audits directly (using its own staff) or indirectly (using external persons or bodies appointed to do so). It will inform the coordinator or beneficiary concerned of the identity of the external persons or bodies. They have the right to object to the appointment on grounds of commercial confidentiality.

The coordinator or beneficiary concerned must provide — within the deadline requested — any information (including complete accounts, individual salary statements or other personal data) to verify compliance with the Agreement. The Agency or the Commission may request beneficiaries to provide such information to it directly.

For **on-the-spot** audits, the beneficiaries must allow access to their sites and premises, including to external persons or bodies, and must ensure that information requested is readily available.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

On the basis of the audit findings, a '**draft audit report**' will be drawn up.

The Agency or the Commission will formally notify the draft audit report to the coordinator or beneficiary concerned, which has 30 days to formally notify observations ('**contradictory audit procedure**'). This period may be extended by the Agency or the Commission in justified cases.

The '**final audit report**' will take into account observations by the coordinator or beneficiary concerned. The report will be formally notified to it.

Audits (including audit reports) are in the language of the Agreement.

The Agency or the Commission may also access the beneficiaries' statutory records for the periodical assessment of unit costs or flat-rate amounts.

17.2 Investigations by the European Anti-Fraud Office (OLAF)

Under Regulations No 883/2013⁷ and No 2185/96⁸ (and in accordance with their provisions and procedures), the European Anti-Fraud Office (OLAF) may — at any moment during implementation of the action or afterwards — carry out investigations, including on-the-spot checks and inspections, to establish whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the EU.

⁷ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18/09/2013, p. 1).

⁸ Council Regulation (Euratom, EC) No 2185/1996 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15/11/1996, p. 2).

17.3 Checks and audits by the European Court of Auditors (ECA)

Under Article 287 of the Treaty on the Functioning of the European Union (TFEU) and Article 161 of the Financial Regulation No 966/2012⁹, the European Court of Auditors (ECA) may — at any moment during implementation of the action or afterwards — carry out audits.

The ECA has the right of access for the purpose of checks and audits.

17.4 Checks, reviews, audits and investigations for international organisations

Not applicable

17.5 Consequences of findings in checks, reviews, audits and investigations — Extension of findings

17.5.1 Findings in this grant

Findings in checks, reviews, audits or investigations carried out in the context of this grant may lead to the rejection of ineligible costs (see Article 26), reduction of the grant (see Article 27), recovery of undue amounts (see Article 28) or to any of the other measures described in Chapter 6.

Rejection of costs or reduction of the grant after the payment of the balance will lead to a revised final grant amount (see Article 5.4).

Findings in checks, reviews, audits or investigations may lead to a request for amendment for the modification of Annex 1 (see Article 39).

Checks, reviews, audits or investigations that find systemic or recurrent errors, irregularities, fraud or breach of obligations may also lead to consequences in other EU grants awarded under similar conditions (**‘extension of findings from this grant to other grants’**).

Moreover, findings arising from an OLAF investigation may lead to criminal prosecution under national law.

17.5.2 Findings in other grants

The Agency or the Commission may extend findings from other grants to this grant (**‘extension of findings from other grants to this grant’**), if:

- (a) the beneficiary concerned is found, in other EU grants awarded under similar conditions, to have committed systemic or recurrent errors, irregularities, fraud or breach of obligations that have a material impact on this grant and
- (b) those findings are formally notified to the beneficiary concerned — together with the list of grants affected by the findings — **no later than five years after the payment of the balance** of this grant.

The extension of findings may lead to the rejection of costs (see Article 26), reduction of the grant

⁹ 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 and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26/10/2012, p. 1).

(see Article 27), recovery of undue amounts (see Article 28), suspension of payments (see Article 32), suspension of the action implementation (see Article 33) or termination (see Article 34).

17.5.3 Procedure

The Agency or the Commission will formally notify the beneficiary concerned the systemic or recurrent errors and its intention to extend these audit findings, together with the list of grants affected.

17.5.3.1 If the findings concern **eligibility of costs**: the formal notification will include:

- (a) an invitation to submit observations on the list of grants affected by the findings;
- (b) the request to submit **revised financial statements** for all grants affected;
- (c) the **correction rate for extrapolation** established by the Agency or the Commission on the basis of the systemic or recurrent errors, to calculate the amounts to be rejected, if the beneficiary concerned:
 - (i) considers that the submission of revised financial statements is not possible or practicable or
 - (ii) does not submit revised financial statements.

The beneficiary concerned has 90 days from receiving notification to submit observations, revised financial statements or to propose a duly substantiated **alternative correction method**. This period may be extended by the Agency or the Commission in justified cases.

The Agency or the Commission may then start a **rejection procedure** in accordance with Article 26, either on the basis of the revised financial statements, the alternative method or the correction rate announced.

17.5.3.2 If the findings concern **substantial errors, irregularities or fraud or serious breach of obligations**: the formal notification will include:

- (a) an invitation to submit observations on the list of grants affected by the findings and
- (b) the flat-rate the Agency or the Commission intends to apply according to the principle of proportionality.

The beneficiary concerned has 90 days from receiving notification to submit observations or to propose a duly substantiated alternative flat-rate.

The Agency or the Commission may then start a **reduction procedure** in accordance with Article 27, either on the basis of the alternative flat-rate or the flat-rate announced.

17.6 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, any insufficiently substantiated costs will be ineligible (see Article 6) and will be rejected (see Article 26).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 18 — EVALUATION OF THE IMPACT OF THE ACTION

18.1 Right to evaluate the impact of the action

The Agency or the Commission may carry out interim and final evaluations of the impact of the action measured against the objective of the EU programme.

Evaluations may be started during implementation of the action and **up to five years after the payment of the balance**. The evaluation is considered to start on the date of the formal notification to the coordinator or beneficiaries.

The Agency or the Commission may make these evaluations directly (using its own staff) or indirectly (using external bodies or persons it has authorised to do so).

The coordinator or beneficiaries must provide any information relevant to evaluate the impact of the action, including information in electronic format.

18.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the Agency may apply the measures described in Chapter 6.

SECTION 3 OTHER RIGHTS AND OBLIGATIONS

ARTICLE 19 — PRE-EXISTING RIGHTS AND OWNERSHIP OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

19.1 Pre-existing rights and access rights to pre-existing rights

Where industrial and intellectual property rights (including rights of third parties) exist prior to the Agreement, the beneficiaries must establish a list of these pre-existing industrial and intellectual property rights, specifying the owner and any persons that have a right of use.

The coordinator must — before starting the action — submit this list to the Agency.

Each beneficiary must give the other beneficiaries access to any pre-existing industrial and intellectual property rights needed for the implementation of the action and compliance with the obligations under the Agreement.

19.2 Ownership of results and rights of use

The results of the action (including the reports and other documents relating to it) are owned by the beneficiaries.

The beneficiaries must give the Agency and the Commission the right to use the results for their communication activities under Article 22.

19.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 27).

Such a breach may also lead to any of the other measures described in Chapter 6.

ARTICLE 20 — CONFLICT OF INTERESTS

20.1 Obligation to avoid a conflict of interests

The beneficiaries must take all measures to prevent any situation where the impartial and objective implementation of the action is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest (**‘conflict of interests’**).

They must formally notify to the Agency without delay any situation constituting or likely to lead to a conflict of interests and immediately take all the necessary steps to rectify this situation.

The Agency may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

20.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 27) and the Agreement or participation of the beneficiary may be terminated (see Article 34).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 21 — CONFIDENTIALITY

21.1 General obligation to maintain confidentiality

During implementation of the action and **for five years after the payment of the balance**, the parties must keep confidential any data, documents or other material (in any form) that is identified as confidential at the time it is disclosed (**‘confidential information’**).

They may use confidential information to implement the Agreement.

The confidentiality obligations no longer apply if:

- (a) the disclosing party agrees to release the other party;
- (b) the information becomes generally and publicly available, without breaching any confidentiality obligation;
- (c) the disclosure of the confidential information is required by EU or national law.

21.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 27).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 22 — PROMOTING THE ACTION — VISIBILITY OF EU FUNDING

22.1 Communication activities by the beneficiaries

22.1.1 General obligation to promote the action and its results

The beneficiaries must promote the action and its results.

22.1.2 Information on EU funding — Obligation and right to use the EU emblem

Unless the Agency requests or agrees otherwise, any communication activity related to the action (including at conferences, seminars, in information material, such as brochures, leaflets, posters, presentations, etc., in electronic form, via social media, etc.) and any infrastructure, equipment or major result funded by the grant must:

- display the EU emblem and
- include the following text:

“This [insert appropriate description, e.g. report, publication, conference, infrastructure, equipment, insert type of result, etc.] was funded by the European Union’s COSME Programme.”

When displayed in association with another logo, the EU emblem must have appropriate prominence.

For the purposes of their obligations under this Article, the beneficiaries may use the EU emblem without first obtaining approval from the Agency.

This does not, however, give them the right to exclusive use.

Moreover, they may not appropriate the EU emblem or any similar trademark or logo, either by registration or by any other means.

22.1.3 Disclaimer excluding Agency and Commission responsibility

Any communication activity related to the action must indicate the following disclaimer:

“The content of this [insert appropriate description, e.g. report, publication, conference, etc.] represents the views of the author only and is his/her sole responsibility; it cannot be considered to reflect the views of the European Commission and/or the Executive Agency for Small and Medium-sized Enterprises (EASME) or any other body of the European Union. The European Commission and the Agency do not accept any responsibility for use that may be made of the information it contains.”

22.2 Communication activities by the Agency and the Commission

22.2.1 Right to use beneficiaries’ materials, documents or information

The Agency and the Commission may use information relating to the action, documents notably summaries for publication and public deliverables as well as any other material, such as pictures or audio-visual material received from any beneficiary (including in electronic form).

This does not change the confidentiality obligations in Article 21, which still apply.

The right to use a beneficiary’s materials, documents and information includes:

- (a) **use for its own purposes** (in particular, making them available to persons working for the Agency, the Commission or any other EU institution, body, office or agency or body or

institutions in EU Member States; and copying or reproducing them in whole or in part, in unlimited numbers);

- (b) **distribution to the public** (in particular, publication as hard copies and in electronic or digital format, publication on the internet, as a downloadable or non-downloadable file, broadcasting by any channel, public display or presentation, communicating through press information services, or inclusion in widely accessible databases or indexes);
- (c) **editing or redrafting** for communication and publicising activities (including shortening, summarising, inserting other elements (such as meta-data, legends, other graphic, visual, audio or text elements), extracting parts (e.g. audio or video files), dividing into parts, use in a compilation);
- (d) **translation**;
- (e) giving **access in response to individual requests** under Regulation No 1049/2001¹⁰, without the right to reproduce or exploit;
- (f) **storage** in paper, electronic or other form;
- (g) **archiving**, in line with applicable document-management rules, and
- (h) the right to authorise **third parties** to act on its behalf or sub-license the modes of use set out in Points (b), (c), (d) and (f) to third parties if needed for the communication and publicising activities of the Agency or the Commission.

If the right of use is subject to rights of a third party (including personnel of the beneficiary), the beneficiary must ensure that it complies with its obligations under this Agreement (in particular, by obtaining the necessary approval from the third parties concerned).

Where applicable (and if provided by the beneficiaries), the Agency or the Commission will insert the following information:

“© – [year] – [name of the copyright owner]. All rights reserved. Licensed to the Executive Agency for Small and Medium-sized Enterprises (EASME) and the European Union (EU) under conditions.”

22.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 27).

Such breaches may also lead to any of the other measures described in Chapter 6.

ARTICLE 23 — PROCESSING OF PERSONAL DATA

23.1 Processing of personal data by the Agency and the Commission

Any personal data under the Agreement will be processed by the Agency or the Commission under

¹⁰ Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31/5/2001, p. 43).

Regulation No 45/2001¹¹ and according to the ‘notifications of the processing operations’ to the Data Protection Officer (DPO) of the Agency or the Commission (publicly accessible in the DPO register).

Such data will be processed by the ‘**data controller**’ of the Agency or the Commission for the purposes of implementing, managing and monitoring the Agreement or protecting the EU financial interests (including checks, reviews, audits and investigations; see Article 17).

The persons whose personal data are processed have the right to access and correct their own personal data. For this purpose, they must send any queries about the processing of their personal data to the data controller, via the contact point indicated in the privacy statement(s) on the Agency and Commission websites.

They also have the right to have recourse at any time to the European Data Protection Supervisor (EDPS).

23.2 Processing of personal data by the beneficiaries

The beneficiaries must process personal data under the Agreement in compliance with applicable EU and national law on data protection (including authorisations or notification requirements).

The beneficiaries may grant their personnel access only to data that is strictly necessary for implementing, managing and monitoring the Agreement.

The beneficiaries must inform the personnel whose personal data are collected and processed by the Agency or the Commission. For this purpose, they must provide them with the privacy statement(s) (see above), before transmitting their data to the Agency or the Commission.

23.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under Article 23.2, the Agency may apply any of the measures described in Chapter 6.

ARTICLE 24 — ASSIGNMENTS OF CLAIMS FOR PAYMENT AGAINST THE AGENCY

The beneficiaries may not assign any of their claims for payment against the Agency to any third party, except if approved by the Agency on the basis of a reasoned, written request by the coordinator (on behalf of the beneficiary concerned).

If the Agency has not accepted the assignment or the terms of it are not observed, the assignment will have no effect on it.

In no circumstances will an assignment release the beneficiaries from their obligations towards the Agency.

CHAPTER 5 DIVISION OF BENEFICIARIES’ ROLES AND RESPONSIBILITIES

¹¹ Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 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 (OJ L 8, 12/01/2001, p 1).

ARTICLE 25 — DIVISION OF BENEFICIARIES' ROLES AND RESPONSIBILITIES

25.1 Roles and responsibilities towards the Agency

The beneficiaries have full responsibility for implementing the action and complying with the Agreement.

The beneficiaries are jointly and severally liable for the **technical implementation** of the action as described in Annex 1. If a beneficiary fails to implement its part of the action, the other beneficiaries become responsible for implementing this part (without being entitled to any additional funding for doing so), unless the Agency expressly relieves them of this obligation.

The **financial responsibility** of each beneficiary is governed by Articles 28.

25.2 Internal division of roles and responsibilities

The internal roles and responsibilities of the beneficiaries are divided as follows:

(a) Each **beneficiary** must:

- (i) keep information stored in the Participant Portal Beneficiary Register (via the electronic exchange system) up to date (see Article 12);
- (ii) inform the coordinator immediately of any events or circumstances likely to affect significantly or delay the implementation of the action (see Article 12);
- (iii) submit to the coordinator in good time:
 - individual financial statement(s) for itself and, if required, certificates on the financial statement(s) (see Article 14 and 15);
 - the data needed to draw up the technical report(s) (see Article 15);
 - any other documents or information required by the Agency or the Commission under the Agreement, unless the Agreement requires the beneficiary to submit this information directly.

(b) The **coordinator** must:

- (i) monitor that the action is implemented properly (see Article 7);
- (ii) act as the intermediary for all communications between the beneficiaries and the Agency (in particular, providing the Agency with the information described in Article 12), unless the Agreement specifies otherwise;
- (iii) provide a pre-financing guarantee if requested by the Agency (see Article 16.2);
- (iv) request and review any documents or information required by the Agency and verify their completeness and correctness before passing them on to the Agency;
- (v) submit the deliverables and reports to the Agency (see Articles 14 and 15);

- (vi) ensure that all payments are made to the other beneficiaries without unjustified delay (see Article 16);

The coordinator may not subcontract the above-mentioned tasks.

25.3 Internal arrangements between beneficiaries — Consortium agreement

The beneficiaries must have internal arrangements regarding their operation and co-ordination to ensure that the action is implemented properly. These internal arrangements must be set out in a written ‘**consortium agreement**’ between the beneficiaries, which may cover:

- internal organisation of the consortium;
- management of access to the electronic exchange system;
- distribution of the payments;
- additional rules on rights and obligations related to pre-existing rights and results (see Article 19);
- settlement of internal disputes;
- liability, indemnification and confidentiality arrangements between the beneficiaries.

The consortium agreement must not contain any provision contrary to the Agreement.

CHAPTER 6 REJECTION OF COSTS — REDUCTION OF THE GRANT — RECOVERY — SANCTIONS — DAMAGES — SUSPENSION — TERMINATION — FORCE MAJEURE

SECTION 1 REJECTION OF COSTS — REDUCTION OF THE GRANT — RECOVERY — SANCTIONS

ARTICLE 26 — REJECTION OF INELIGIBLE COSTS

26.1 Conditions

The Agency will — **at the payment of the balance or afterwards** — reject any costs which are ineligible (see Article 6), in particular following checks, reviews, audits or investigations (see Article 17).

The rejection may also be based on the **extension of findings from other grants to this grant** (see Article 17.5.2).

26.2 Ineligible costs to be rejected — Calculation — Procedure

Ineligible costs will be rejected in full.

If the rejection of costs does not lead to a recovery (see Article 28), the Agency will formally notify

the coordinator or beneficiary concerned of the rejection of costs, the amounts and the reasons why (if applicable, together with the notification of amounts due; see Article 16.5). The coordinator or beneficiary concerned may — within 30 days of receiving notification — formally notify the Agency of its disagreement and the reasons why.

If the rejection of costs leads to a recovery, the Agency will follow the contradictory procedure with pre-information letter set out in Article 28.

26.3 Effects

If the Agency rejects costs at **the payment of the balance**, it will deduct them from the total eligible costs declared, for the action, in the final summary financial statement (see Article 15.3 and 15.4). It will then calculate the payment of the balance as set out in Article 16.3 or 16.4.

If the Agency rejects costs **after the payment of the balance**, it will calculate the revised final grant amount as set out in Article 5.4. If the revised final grant amount is lower than the final grant amount, the Agency will recover the difference (see Article 28).

ARTICLE 27 — REDUCTION OF THE GRANT

27.1 Conditions

The Agency may — **at the payment of the balance** or **afterwards** — reduce the grant, if:

- (a) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed:
 - (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under the Agreement or during the award procedure (including improper implementation of the action, submission of false information, failure to provide required information, breach of ethical principles) or
- (b) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (**extension of findings from other grants to this grant**; see Article 17.5.2).

27.2 Amount to be reduced — Calculation — Procedure

The amount of the reduction will be proportionate to the seriousness of the errors, irregularities or fraud or breach of obligations.

Before reduction of the grant, the Agency will formally notify a '**pre-information letter**' to the coordinator or beneficiary concerned:

- informing it of its intention to reduce the grant, the amount it intends to reduce and the reasons why and
- inviting it to submit observations within 30 days of receiving notification

If the Agency does not receive any observations or decides to pursue reduction despite the observations

it has received, it will formally notify **confirmation** of the reduction (if applicable, together with the notification of amounts due; see Article 16).

27.3 Effects

If the Agency reduces the grant at the time of **the payment of the balance**, it will calculate the reduced grant amount and then determine the amount due as payment of the balance (see Articles 5.3 and 16.4).

If the Agency reduces the grant **after the payment of the balance**, it will calculate the revised final grant amount (see Article 5.4). If the revised final grant amount is lower than the final grant amount, the Agency will recover the difference (see Article 28).

ARTICLE 28 — RECOVERY OF UNDUE AMOUNTS

28.1 Amount to be recovered — Calculation — Procedure

The Agency will — **at the payment of the balance** or **afterwards** — claim back amount that was paid but is not due under the Agreement.

The coordinator is fully liable for repaying debts of the consortium (under the Agreement), even if it has not been the final recipient of those amounts.

The other beneficiaries' financial responsibility in case of recovery is limited, for each beneficiary, to its own debt.

28.1.1 Recovery at payment of the balance

If the payment of the balance takes the form of a recovery (see Article 16.4), the Agency will formally notify a '**pre-information letter**' to the coordinator:

- informing it of its intention to recover, the amount due as the balance and the reasons why and
- inviting it to submit observations within 30 days of receiving notification.

If no observations are submitted or the Agency decides to pursue recovery despite the observations it has received, it will **confirm** the amount to be recovered and formally notify to the coordinator a **debit note** with the terms and the date for payment (together with the notification of amounts due; see Article 16.5).

If payment is not made by the date specified in the debit note, the Agency or the Commission will **recover** the amount:

- (a) by '**offsetting**' it — without the coordinator's consent — against any amounts owed to the coordinator by the Agency, Commission or another executive agency (from the EU budget).

In exceptional circumstances, to safeguard the EU financial interests, the Agency or the Commission may offset before the payment date specified in the debit note;

- (b) not applicable;
- (c) joint and several liability of other beneficiaries: not applicable;

by **taking legal action** (see Article 41) or by **adopting an enforceable decision** under Article 299 of the Treaty on the Functioning of the EU (TFEU) and Article 79(2) of the Financial Regulation No 966/2012.

If payment is not made by the date in the debit note, the amount to be recovered (see above) will be increased by **late-payment interest** at the rate set out in Article 16.11, from the day following the payment date in the debit note, up to and including the date the Agency or the Commission receives full payment of the amount.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the beneficiary, unless Directive 2007/64/EC¹² applies.

28.1.2 Recovery of amounts after payment of the balance

If — after the payment of the balance — the Agency revised the final grant amount (see Article 5.4), and the revised final grant amount is lower than the final grant amount (see Article 5.3), it will:

- if the rejection or reduction does *not* concern a specific beneficiary: claim back the difference from the coordinator (even if it has not been the final recipient of the amount in question)

or

- otherwise: claim back the difference from the beneficiary concerned.

The Agency will formally notify a **pre-information letter** to the coordinator or beneficiary concerned:

- informing it of its intention to recover, the amount to be repaid and the reasons why and
- inviting it to submit observations within 30 days of receiving notification.

If no observations are submitted or the Agency decides to pursue recovery despite the observations it has received, it will **confirm** the amount to be recovered and formally notify to the coordinator or beneficiary concerned a **debit note**. This note will also specify the terms and the date for payment.

If payment is not made by the date specified in the debit note, the Agency or the Commission will **recover** the amount:

- (a) by '**offsetting**' it — without the coordinator's or beneficiary's consent — against any amounts owed to the coordinator or beneficiary concerned by the Agency, the Commission or another executive agency (from the EU budget).

In exceptional circumstances, to safeguard the EU's financial interests, the Agency or the Commission may offset before the payment date specified in the debit note;

- (b) joint and several liability of other beneficiaries: not applicable;

¹² Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC (OJ L 319, 05.12.2007, p. 1).

- (c) by **taking legal action** (see Article 41) or by **adopting an enforceable decision** under Article 299 of the Treaty on the Functioning of the EU (TFEU) and Article 79(2) of the Financial Regulation No 966/2012.

If payment is not made by the date in the debit note, the amount to be recovered (see above) will be increased by **late-payment interest** at the rate set out in Article 16.11, from the day following the date for payment in the debit note, up to and including the date the Agency or the Commission receives full payment of the amount.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the beneficiary, unless Directive 2007/64/EC applies.

ARTICLE 29 — ADMINISTRATIVE AND FINANCIAL PENALTIES

In addition to contractual measures, the Agency or the Commission may also adopt administrative sanctions under Articles 106 and 131(4) of the Financial Regulation No 966/2012 (i.e. exclusion from future procurement contracts, grants, prizes and expert contracts and/or financial penalties).

SECTION 2 LIABILITY FOR DAMAGES

ARTICLE 30 — LIABILITY FOR DAMAGES

30.1 Liability of the Agency

The Agency cannot be held liable for any damage caused to the beneficiaries or to third parties as a consequence of implementing the Agreement, including for gross negligence.

The Agency cannot be held liable for any damage caused by any of the beneficiaries or third parties involved in the action, as a consequence on implementing the Agreement.

30.2 Liability of the beneficiaries

Except in case of force majeure (see Article 35), the beneficiaries must compensate the Agency for any damage it sustains as a result of the implementation of the action or because the action was not implemented in full compliance with the Agreement.

SECTION 3 SUSPENSION AND TERMINATION

ARTICLE 31 — SUSPENSION OF PAYMENT DEADLINE

31.1 Conditions

The Agency may — at any moment — suspend the payment deadline (see Article 16.2 to 16.4) if a request for payment (see Article 15) cannot be approved because:

- (a) it does not comply with the provisions of the Agreement (see Article 15);

- (b) the technical or financial report(s) have not been submitted or are not complete or additional information is needed, or
- (c) there is doubt about the eligibility of the costs declared in the financial statements and additional checks, reviews, audits or investigations are necessary.

31.2 Procedure

The Agency will formally notify the coordinator of the suspension and the reasons why.

The suspension will **take effect** the day notification is sent by the Agency (see Article 36).

If the conditions for suspending the payment deadline are no longer met, the suspension will be **lifted** — and the remaining period will resume.

If the suspension exceeds two months, the coordinator may request the Agency if the suspension will continue.

If the payment deadline has been suspended due to the non-compliance of the technical or financial report(s) (see Article 15) and the revised report or statement is not submitted or was submitted but is also rejected, the Agency may also terminate the Agreement or the participation of the beneficiary (see Article 34.3.1(i)).

ARTICLE 32 — SUSPENSION OF PAYMENTS

32.1 Conditions

The Agency may — at any moment — suspend payments, in whole or in part for one or more beneficiaries, if:

- (a) a beneficiary (or a natural person who has the power to represent or take decision on its behalf) has committed or is suspected of having committed:
 - (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under this Agreement or during the award procedure (including improper implementation of the action, submission of false information, failure to provide required information, breach of ethical principles) or
- (b) a beneficiary (or a natural person who has the power to represent or take decision on its behalf) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (**extension of findings from other grants to this grant**; see Article 17.5.2).

If payments are suspended for one or more beneficiaries, the Agency will make partial payment(s) for the part(s) not suspended. If suspension concerns the payment of the balance, the payment (or recovery) of the remaining amount after suspension is lifted will be considered to be the payment that closes the action.

32.2 Procedure

Before suspending payments, the Agency will formally notify the coordinator or beneficiary concerned:

- informing it of its intention to suspend payments and the reasons why and
- inviting it to submit observations within 30 days of receiving notification.

If the Agency does not receive observations or decides to pursue the procedure despite the observations it has received, it will formally notify **confirmation** of the suspension. Otherwise, it will formally notify that the suspension procedure is not continued.

The suspension will **take effect** the day the confirmation notification is sent by the Agency.

If the conditions for resuming payments are met, the suspension will be **lifted**. The Commission will formally notify the coordinator or beneficiary concerned.

The beneficiaries may suspend implementation of the action (see Article 33.1) or terminate the Agreement or the participation of the beneficiary concerned (see Article 34.1 and 34.2).

ARTICLE 33 — SUSPENSION OF THE ACTION IMPLEMENTATION

33.1 Suspension of the action implementation, by the beneficiaries

33.1.1 Conditions

The beneficiaries may suspend implementation of the action or any part of it, if exceptional circumstances — in particular *force majeure* (see Article 35) — make implementation impossible or excessively difficult.

33.1.2 Procedure

The coordinator must immediately formally notify to the Agency the suspension (see Article 36), stating:

- the reasons why and
- the expected date of resumption.

The suspension will **take effect** the day this notification is received by the Agency.

Once circumstances allow for implementation to resume, the coordinator must immediately formally notify the Agency and request an **amendment** of the Agreement to set the date on which the action will be resumed, extend the duration of the action and make other changes necessary to adapt the action to the new situation (see Article 39) — unless the Agreement or the participation of a beneficiary has been terminated (see Article 34).

The suspension will be **lifted** with effect from the resumption date set out in the amendment. This date may be before the date on which the amendment enters into force.

Costs incurred during suspension of the action implementation are not eligible (see Article 6).

33.2 Suspension of the action implementation, by the Agency

33.2.1 Conditions

The Agency may suspend implementation of the action or any part of it, if:

- (a) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed or is suspected of having committed:
 - (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under this Agreement or during the award procedure (including improper implementation of the action, submission of false information, failure to provide required information, breach of ethical principles) or
- (b) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (**extension of findings from other grants to this grant**; see Article 17.5.2).

33.2.2 Procedure

Before suspending implementation of the action, the Agency will formally notify the coordinator or beneficiary concerned:

- informing it of its intention to suspend the implementation and the reasons why and
- inviting it to submit observations within 30 days of receiving notification.

If the Agency does not receive observations or decides to pursue the procedure despite the observations it has received, it will formally notify **confirmation** of the suspension. Otherwise, it will formally notify that the procedure is not continued.

The suspension will **take effect** five days after confirmation notification is received (or on a later date specified in the notification).

It will be **lifted** if the conditions for resuming implementation of the action are met.

The coordinator or beneficiary concerned will be formally notified of the lifting and the Agreement will be **amended** to set the date on which the action will be resumed, extend the duration of the action and make other changes necessary to adapt the action to the new situation (see Article 39) — unless the Agreement has been terminated (see Article 34).

The suspension will be lifted with effect from the resumption date set out in the amendment. This date may be before the date on which the amendment enters into force.

Costs incurred during suspension are not eligible (see Article 6).

The beneficiaries may not claim damages due to suspension by the Agency (see Article 30).

Suspension of the action implementation does not affect the Agency's right to terminate the Agreement or participation of a beneficiary (see Article 34), reduce the grant or recover amounts unduly paid (see Articles 27 and 28).

ARTICLE 34 — TERMINATION OF THE AGREEMENT OR OF THE PARTICIPATION OF ONE OR MORE BENEFICIARIES

34.1 Termination of the Agreement, by the beneficiaries

34.1.1 Conditions and procedure

The beneficiaries may terminate the Agreement.

The coordinator must formally notify termination to the Agency (see Article 36), stating:

- the reasons why and
- the date the termination will take effect. This date must be after the notification.

If no reasons are given or if the Agency considers the reasons do not justify termination, the Agreement will be considered to have been '**terminated improperly**'.

The termination will **take effect** on the day specified in the notification.

34.1.2 Effects

The coordinator must — within 60 days from when termination takes effect — submit the final report (see Article 15.4).

If the Agency does not receive the report(s) within the deadline (see above), no costs will be taken into account.

The Agency will **calculate** the final grant amount (see Article 5.3) and the balance (see Article 16.4) on the basis of the report(s) submitted. Only costs incurred until termination are eligible (see Article 6). Costs relating to contracts due for execution only after termination are not eligible.

Improper termination may lead to a reduction of the grant (see Article 27).

After termination, the beneficiaries' obligations (in particular, Articles 15, 17, 18, 19, 20, 21, 22, 24, 26, 27 and 28) continue to apply.

34.2 Termination of the participation of one or more beneficiaries, by the beneficiaries

34.2.1 Conditions and procedure

The participation of one or more beneficiaries may be terminated by the coordinator, on request of the beneficiary concerned or on behalf of the other beneficiaries.

The coordinator must formally notify termination to the Agency (see Article 36) and inform the beneficiary concerned.

If the coordinator's participation is terminated without its agreement, the formal notification must be done by another beneficiary (acting on behalf of the other beneficiaries).

The notification must include:

- the reasons why;

- the opinion of the beneficiary concerned (or proof that this opinion has been requested in writing);
- the date the termination takes effect. This date must be after the notification, and
- a request for amendment (see Article 39), with a proposal for reallocation of the tasks and the estimated budget of the beneficiary concerned (see Annexes 1 and 2) and, if necessary, the addition of one or more new beneficiaries (see Article 40). If termination takes effect after the period set out in Article 3, no request for amendment must be included, unless the beneficiary concerned is the coordinator. In this case, the request for amendment must propose a new coordinator.

If this information is not given or if the Agency considers that the reasons do not justify termination, the participation will be considered to have been **terminated improperly**.

The termination will **take effect** on the day specified in the notification.

34.2.2 Effects

The beneficiary concerned must submit to the coordinator:

- (i) a technical report and
- (ii) a financial statement covering the period to the date when termination takes effect.

This information must be included by the coordinator in the final report (see Article 15.4).

If the request for amendment is rejected by the Agency (because it calls into question the decision awarding the grant or breaches the principle of equal treatment of applicants), the Agreement may be terminated under Article 34.3.1(c).

If the request for amendment is accepted by the Agency, the Agreement is **amended** to introduce the necessary changes (see Article 39).

Improper termination may lead to a reduction of the grant (see Article 27) or termination of the Agreement (see Article 34).

After termination, the concerned beneficiary's obligations (in particular Articles 15, 17, 18, 19, 21, 22, 24, 26, 27 and 28) continue to apply.

34.3 Termination of the Agreement or of the participation of one or more beneficiaries, by the Agency

34.3.1 Conditions

The Agency may terminate the Agreement or the participation of one or more beneficiaries, if:

- (a) one or more beneficiaries do not accede to the Agreement (see Article 40);
- (b) a change to their legal, financial, technical, organisational or ownership situation is likely to substantially affect or delay the implementation of the action or calls into question the decision to award the grant;



- (c) following termination of participation for one or more beneficiaries (see above), the necessary changes to the Agreement would call into question the decision awarding the grant or breach the principle of equal treatment of applicants (see Article 39);
- (d) implementation of the action is prevented by force majeure (see Article 35) or suspended by the coordinator (see Article 33.1) and either:
 - (i) resumption is impossible, or
 - (ii) the necessary changes to the Agreement would call into question the decision awarding the grant or breach the principle of equal treatment of applicants;
- (e) a beneficiary is declared bankrupt, being wound up, having its affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, or is subject to any other similar proceedings or procedures under national law;
- (f) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has been found guilty of professional misconduct, proven by any means;
- (g) a beneficiary does not comply with the applicable national law on taxes and social security;
- (h) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed fraud, corruption, or is involved in a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking;
- (i) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed:
 - (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under the Agreement or during the award procedure (including improper implementation of the action, submission of false information, failure to provide required information, breach of ethical principles);
- (j) a beneficiary (or a natural person who has the power to represent or take decisions on its behalf) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (**extension of findings from other grants to this grant**; see Article 17.5.2).
- (k) refusal to remove a linked third party: not applicable.

34.3.2 Procedure

Before terminating the Agreement or participation of one or more beneficiaries, the Agency will formally notify the coordinator or beneficiary concerned:

- informing it of its intention to terminate and the reasons why and
- inviting it, within 30 days of receiving notification, to submit observations and — in case of Point (i.ii) above — to inform the Agency of the measures to ensure compliance with the obligations under the Agreement.

If the Agency does not receive observations or decides to pursue the procedure despite the observations

it has received, it will formally notify to the coordinator or beneficiary concerned **confirmation** of the termination and the date it will take effect. Otherwise, it will formally notify that the procedure is not continued.

The termination will **take effect**:

- for terminations under Points (b), (c), (e), (g), (i.ii) and (k) above: on the day specified in the notification of the confirmation (see above);
- for terminations under Points (a), (d), (f), (h), (i.i) and (j) above: on the day after the notification of the confirmation is received.

34.3.3 Effects

(a) for **termination of the Agreement**:

The coordinator must — within 60 days from when termination takes effect — submit a final report (see Article 15.4).

If the Agreement is terminated for breach of the obligation to submit report(s) (see Articles 15.8 and 34.3.1(i)), the coordinator may not submit any reports after termination.

If the Agency does not receive the report(s) within the deadline (see above), no costs will be taken into account.

The Agency will **calculate** the final grant amount (see Article 5.3) and the balance (see Article 16.4) on the basis of the report(s) submitted. Only costs incurred until termination takes effect are eligible (see Article 6). Costs relating to contracts due for execution only after termination are not eligible.

This does not affect the Agency's right to reduce the grant (see Article 27) or to impose administrative sanctions (Article 29).

The beneficiaries may not claim damages due to termination by the Agency (see Article 30).

After termination, the beneficiaries' obligations (in particular Articles 15, 17, 18, 19, 21, 22, 24, 26, 27 and 28) continue to apply.

(b) for **termination of the participation of one or more beneficiaries**:

The coordinator must — within 60 days from when termination takes effect — submit a request for amendment (see Article 39), with a proposal for reallocation of the tasks and estimated budget of the beneficiary concerned (see Annexes 1 and 2) and, if necessary, the addition of one or more new beneficiaries (see Article 40). If termination is notified after the period set out in Article 3, no request for amendment must be submitted unless the beneficiary concerned is the coordinator. In this case the request for amendment must propose a new coordinator.

The beneficiary concerned must submit to the coordinator:

- (i) a technical report and
- (ii) a financial statement covering the period to the date when termination takes effect.

This information must be included by the coordinator in the final report (see Article 15.4).

If the request for amendment is rejected by the Agency (because it calls into question the decision awarding the grant or breaches the principle of equal treatment of applicants), the Agreement may be terminated under Article 34.3.1(c).

If the request for amendment is accepted by the Agency, the Agreement is **amended** to introduce the necessary changes (see Article 39).

After termination, the concerned beneficiary's obligations (in particular Articles 15, 17, 18, 19, 20, 21, 22 24, 26, 27 and 28) continue to apply.

SECTION 4 FORCE MAJEURE

ARTICLE 35 — FORCE MAJEURE

‘Force majeure’ means any situation or event that:

- prevents either party from fulfilling their obligations under the Agreement,
- was unforeseeable, exceptional situation and beyond the parties' control,
- was not due to error or negligence on their part (or on the part of third parties involved in the action), and
- proves to be inevitable in spite of exercising all due diligence.

The following cannot be invoked as force majeure:

- any default of a service, defect in equipment or material or delays in making them available, unless they stem directly from a relevant case of force majeure,
- labour disputes or strikes, or
- financial difficulties.

Any situation constituting force majeure must be formally notified to the other party without delay, stating the nature, likely duration and foreseeable effects.

The parties must immediately take all the necessary steps to limit any damage due to force majeure and do their best to resume implementation of the action as soon as possible.

The party prevented by force majeure from fulfilling its obligations under the Agreement cannot be considered in breach of them.

CHAPTER 7 FINAL PROVISIONS

ARTICLE 36 — COMMUNICATION BETWEEN THE PARTIES

36.1 Form and means of communication

Communication under the Agreement (information, requests, submissions, ‘formal notifications’, etc.) must:

- be made in writing and
- bear the number of the Agreement.

All communication must be made through the Participant Portal electronic exchange system and using the forms and templates provided there.

If — after the payment of the balance — the Agency finds that a formal notification was not accessed, a second formal notification will be made by registered post with proof of delivery (‘formal notification on **paper**’). Deadlines will be calculated from the moment of the second notification.

Communications in the electronic exchange system must be made by persons authorised according to the Participant Portal Terms & Conditions. For naming the authorised persons, the beneficiary must have designated — before the signature of this Agreement — a ‘legal entity appointed representative (LEAR)’. The role and tasks of the LEAR are stipulated in his/her appointment letter (see Participant Portal Terms & Conditions).

If the electronic exchange system is temporarily unavailable, instructions will be given on the Agency and Commission websites.

36.2 Date of communication

Communications are considered to have been made when they are sent by the sending party (i.e. on the date and time they are sent through the electronic exchange system).

Formal notifications through the **electronic** exchange system are considered to have been made when they are received by the receiving party (i.e. on the date and time of acceptance by the receiving party, as indicated by the time stamp). A formal notification that has not been accepted within 10 days after sending is considered to have been accepted.

Formal notifications **on paper** sent by **registered post** with proof of delivery (only after the payment of the balance) are considered to have been made on either:

- the delivery date registered by the postal service or
- the deadline for collection at the post office.

If the electronic exchange system is temporarily unavailable, the sending party cannot be considered in breach of its obligation to send a communication within a specified deadline.

36.3 Addresses for communication

The **electronic** exchange system must be accessed via the following URL:

<https://ec.europa.eu/research/participants/portal/desktop/en/projects/>

The Agency will formally notify the coordinator and beneficiaries in advance of any changes to this URL.

The address for **paper** communications to the Agency (if exceptionally allowed) is the official mailing

address indicated on the Agency's website. For beneficiaries, it is the legal address specified in the Participant Portal Beneficiary Register.

ARTICLE 37 — INTERPRETATION OF THE AGREEMENT

37.1 Precedence of the Terms and Conditions over the Annexes

The provisions in the Terms and Conditions of the Agreement take precedence over its Annexes.

Annex 2 takes precedence over Annex 1.

37.2 Privileges and immunities

Not applicable

ARTICLE 38 — CALCULATION OF PERIODS, DATES AND DEADLINES

In accordance with Regulation No 1182/71¹³, periods expressed in days, months or years are calculated from the moment the triggering event occurs.

The day during which that event occurs is not considered as falling within the period.

ARTICLE 39 — AMENDMENTS TO THE AGREEMENT

39.1 Conditions

The Agreement may be amended, unless the amendment entails changes to the Agreement which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants.

Amendments may be requested by any of the parties.

39.2 Procedure

The party requesting an amendment must submit a request for amendment signed in the electronic exchange system (see Article 36).

The coordinator submits and receives requests for amendment on behalf of the beneficiaries (see Annex 3).

If a change of coordinator is requested without its agreement, the submission must be done by another beneficiary (acting on behalf of the other beneficiaries).

The request for amendment must include:

- the reasons why;
- the appropriate supporting documents, and

¹³ Regulation (EEC, Euratom) No 1182/71 of the Council of 3 June 1971 determining the rules applicable to periods, dates and time-limits (OJ L 124, 8/6/1971, p. 1).

- for a change of coordinator without its agreement: the opinion of the coordinator (or proof that this opinion has been requested in writing).

The Agency may request additional information.

If the party receiving the request agrees, it must sign the amendment in the electronic exchange system within 45 days of receiving notification (or any additional information the Agency has requested). If it does not agree, it must formally notify its disagreement within the same deadline. The deadline may be extended, if necessary for the assessment of the request. If no notification is received within the deadline, the request is considered to have been rejected.

An amendment **enters into force** on the day of the signature of the receiving party.

An amendment **takes effect** on the date agreed by the parties or, in the absence of such an agreement, on the date on which the amendment enters into force.

ARTICLE 40 — ACCESSION TO THE AGREEMENT

40.1 Accession of the beneficiaries mentioned in the Preamble

The other beneficiaries must accede to the Agreement by signing the Accession Form (see Annex 3) in the electronic exchange system (see Article 36) within 30 days after its entry into force (see Article 42)

They will assume the rights and obligations under the Agreement with effect from the date of its entry into force (see Article 42).

If a beneficiary does not accede to the Agreement within the above deadline, the coordinator must — within 30 days — request an amendment to make any changes necessary to ensure proper implementation of the action (see Article 39). This does not affect the Agency's right to terminate the Agreement (see Article 34).

40.2 Addition of new beneficiaries

In justified cases, the beneficiaries may request the addition of a new beneficiary.

For this purpose, the coordinator must submit a request for amendment in accordance with Article 39. It must include an Accession Form (see Annex 3) signed by the new beneficiary in the electronic exchange system (see Article 36).

New beneficiaries must assume the rights and obligations under the Agreement with effect from the date of their accession specified in the Accession Form (see Annex 3).

ARTICLE 41 — APPLICABLE LAW AND SETTLEMENT OF DISPUTES

41.1 Applicable law

The Agreement is governed by the applicable EU law, supplemented if necessary by the law of Belgium.

41.2 Dispute settlement

If a dispute concerning the interpretation, application or validity of the Agreement cannot be settled amicably, the General Court — or, on appeal, the Court of Justice of the European Union — has sole jurisdiction. Such actions must be brought under Article 272 of the Treaty on the Functioning of the EU (TFEU).

As an exception, if such a dispute is between the Agency and KULTURNI KOD, it must be brought before the courts of Brussels, Belgium.

If a dispute concerns administrative sanctions, offsetting or an enforceable decision under Article 299 TFEU (see Articles 28, 29 and 30), the beneficiaries must bring action before the General Court — or, on appeal, the Court of Justice of the European Union — under Article 263 TFEU. Actions against offsetting and enforceable decisions must be brought against the Commission (not against the Agency).

ARTICLE 42 — ENTRY INTO FORCE OF THE AGREEMENT

The Agreement will enter into force on the day of signature by the Agency or the coordinator, depending on which is later.

SIGNATURES

For the coordinator

For the Agency



EUROPEAN COMMISSION
Executive Agency for Small and Medium-sized Enterprises
COSME

ANNEX 1 (part A)

Grant agreement Erasmus

NUMBER — 785001 — EXCITE 2.0

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1.1. The project summary

Project Number ¹	785001	Project Acronym ²	EXCITE 2.0
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One form per project

General information

Project title ³	EXCITE 2.0: Entrepreneurs eXchange for Innovations in Europe
Starting date ⁴	01/02/2018
Duration in months ⁵	24
Call (part) identifier ⁶	COS-EYE-2017-4-01
Topic	COS-EYE-2017-4-01 Erasmus for Young Entrepreneurs
Fixed EC Keywords	
Free keywords	Improving entrepreneurial skills, creative and cultural industries, entrepreneurship, networks, business plan development, catalyzing innovation, access to foreign markets, creative spillovers

Abstract ⁷

EXCITE 2.0 project rose from successful EYE cooperation, which has started in 2014 within EXCITE project. In order to broaden the impact of the project, there are 2 new, experienced partners from Balkan countries involved. Consortium of 8 organizations, led by Creative Industry Kosice share the same aim - the support and growth of creative and cultural industries (CCI) - broad and diverse sector, which ranges from advertising and crafts to performing arts and video games. The main aim of the project is to focus on this perspective sector, which besides its direct economic value, play an important role in fostering and enhancing innovation across the wider economy, whether through the products and services they provide, or as a means of creating and spreading new ideas, knowledge and methods of working. While developing this sector, the emphasis is mainly put on creativity, pushing the entrepreneurial aspects aside. This approach is no longer sustainable in the frame of current economic situation, but the need to improve entrepreneurial skills is felt by the sector. In order to constantly grow and to thrive, new entrepreneurs need to improve their business skills, to access new and existing networks in order to improve business knowledge, entrepreneurial know-how, sales and access to international markets.

Project EXCITE 2.0 brings solution for the challenges these businesses are facing by matching young starting entrepreneurs at their early stages with experienced companies. Consortium plans to fulfill the sector's need by matching 72 new entrepreneurs (NEs) with 72 experienced host entrepreneurs (HEs) in order to enable NEs to learn business skills from HEs, access international markets thanks to cooperation with HEs and to enable host entrepreneurs to market NEs' innovative products. Successful matches will provide NEs with business entrepreneurial knowledge and access to international opportunities and markets, thanks to connection with experienced companies.

1.2. List of Beneficiaries

 Associated with document Ref. Ares(2018)1271653 - 07/03/2018

Project Number ¹	785001	Project Acronym ²	EXCITE 2.0
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List of Beneficiaries

No	Name	Short name	Country	Project entry month ⁸	Project exit month
1	CREATIVE INDUSTRY KOSICE, NO	CIKE	Slovakia	1	24
2	STICHTING EUROPEAN CREATIVE BUSINESS NETWORK	ECBN	Netherlands	1	24
3	ALE KOMMUN	Ale kommun	Sweden	1	24
4	KULTURNI KOD	Kulturni Kod	Serbia	1	24
5	Stadt Gelsenkirchen	Gelsenkirchen	Germany	1	24
6	CREATIVE REGION LINZ & UPPER AUSTRIA GMBH	CREARE	Austria	1	24
7	POLIGON, ZAVOD ZA RAZVOJ KREATIVNIHINDUSTRIJ, SOCIALNO, PODJETJE	Zavod Poligon	Slovenia	1	24
8	C2MASI S.L.	C2MASI S.L.	Spain	1	24

1.3. Workplan Tables - Detailed implementation

 Associated with document Ref. Ares(2018)1271653 - 07/03/2018

1.3.1. WT1 List of work packages

WP Number ⁹	WP Title	Lead beneficiary ¹⁰	Person-months ¹¹	Start month ¹²	End month ¹³
WP1	Management of the program, networking and reporting	1 - CIKE	10.36	1	24
WP2	Promotion of the program and recruitment of entrepreneurs	1 - CIKE	4.90	1	18
WP3	Relationships building	3 - Ale kommun	15.08	3	20
WP4	Relationships management	1 - CIKE	12.22	4	24
Total			42.56		

1.3.2. WT2 list of deliverables

Deliverable Number¹⁴	Deliverable Title	WP number⁹	Lead beneficiary	Type¹⁵	Dissemination level¹⁶	Due Date (in months)¹⁷
D1.1	1st Six-monthly technical management report including report on promotion activities	WP1	1 - CIKE	Report	Confidential, only for members of the consortium (including the Commission Services)	7
D1.2	2nd Six-monthly technical management report including report on promotion activities	WP1	1 - CIKE	Report	Confidential, only for members of the consortium (including the Commission Services)	13
D1.3	3rd Six-monthly technical management reports including report on promotion activities	WP1	1 - CIKE	Report	Confidential, only for members of the consortium (including the Commission Services)	19
D1.4	1st Networking Meeting participation	WP1	1 - CIKE	Other	Confidential, only for members of the consortium (including the Commission Services)	3
D1.5	2nd Networking Meeting participation	WP1	1 - CIKE	Other	Confidential, only for members of the consortium (including the Commission Services)	9
D1.6	3rd Networking Meeting participation	WP1	1 - CIKE	Other	Confidential, only for members of the consortium (including the Commission Services)	14
D1.7	4th Networking Meeting participation	WP1	1 - CIKE	Other	Confidential, only for members of the consortium (including the Commission Services)	21
D1.8	Final Technical Implementation, Report including a comprehensive part on promotion activities, Financial Statement	WP1	1 - CIKE	Report	Confidential, only for members of the consortium (including the Commission Services)	24

Deliverable Number¹⁴	Deliverable Title	WP number⁹	Lead beneficiary	Type¹⁵	Dissemination level¹⁶	Due Date (in months)¹⁷
D2.1	Link to Erasmus website	WP2	1 - CIKE	Websites, patents filling, etc.	Public	2
D3.1	Matching relationships assessed	WP3	1 - CIKE	Other	Public	20
D4.1	Best practice report	WP4	6 - CREARE	Report	Public	24

1.3.3. WT3 Work package descriptions

Work package number ⁹	WP1	Lead beneficiary ¹⁰	1 - CIKE
Work package title	Management of the program, networking and reporting		
Start month	1	End month	24

Objectives

The project management structure will be implemented from the beginning of the project and will overlook the following tasks: Project Control, Risk assessment, Contingency monitoring, Decision making structures, Reporting activities, Communication with the European Commission (EC), Maintenance of Consortium agreement, covering all three dimensions: management, quality control and evaluation, active networking, reporting.

WP 1 will have the following results:

- The project is coordinated successfully; Finances are managed successfully; Performance indicators are measured and the project course adjusted when necessary; Active networking with other participants in the project; Project reports are being submitted on time and contain relevant information; Quality of work and deliverables is ensured.

Description of work and role of partners

WP1 - Management of the program, networking and reporting [Months: 1-24]

CIKE, ECBN, Ale kommun, Kulturni Kod, Gelsenkirchen, CREARE, Zavod Poligon, C2MASI S.L.

H) Management. Management structure described above will ensure the fluent project implementation and development using good practices, experience and knowledge of respective project partners. The Project Co-ordinator has the overall responsibility for the organisation, planning and controlling the project, manages the other WP leaders. He reports to the Steering Group.

Quality control and evaluation. The Steering Group and Project Coordinator are responsible for applying a quality evaluation (process and technical evaluation). Contains the following sub-tasks: monitoring the eligibility of NEs and HEs, monitoring the quality of submitted business plans, quality of matches, ensuring submission of final survey (ex-post), Monitoring evaluation by Steering Group (input by Project Co-ordinator).

I) Active Networking with participants in the action. Representatives of the project partners will attend 4 face to face network meetings (connected to four meetings in Brussels or possibly other locations), which will be also used for matchmaking, Skype meetings on regular basis or as required and final Creative Trade mission in 2019, in order to exchange knowledge, collect project learnings and build relationships. Lead Partner will attend 2 additional specific meetings. Contains the following sub-tasks: Attend 4 network meetings; Create information package for meetings.

J) Reporting. Project Co-ordinator will be responsible for the overall project reporting and for the coordination of partners to report regularly on matching relationships via official EYE electronic IT tool to meet deadlines set for each phase reporting in the Implementation Manual. This is done using online communication, regular phone/Skype conferencing, and via EXCITE On-line Platform.

Participation per Partner

Partner number and short name	WP1 effort
1 - CIKE	4.76
2 - ECBN	0.71
3 - Ale kommun	0.71
4 - Kulturni Kod	0.95
5 - Gelsenkirchen	0.86
6 - CREARE	0.71

Partner number and short name	WP1 effort
7 - Zavod Poligon	0.95
8 - C2MASI S.L.	0.71
Total	10.36

List of deliverables

Deliverable Number ¹⁴	Deliverable Title	Lead beneficiary	Type ¹⁵	Dissemination level ¹⁶	Due Date (in months) ¹⁷
D1.1	1st Six-monthly technical management report including report on promotion activities	1 - CIKE	Report	Confidential, only for members of the consortium (including the Commission Services)	7
D1.2	2nd Six-monthly technical management report including report on promotion activities	1 - CIKE	Report	Confidential, only for members of the consortium (including the Commission Services)	13
D1.3	3rd Six-monthly technical management reports including report on promotion activities	1 - CIKE	Report	Confidential, only for members of the consortium (including the Commission Services)	19
D1.4	1st Networking Meeting participation	1 - CIKE	Other	Confidential, only for members of the consortium (including the Commission Services)	3
D1.5	2nd Networking Meeting participation	1 - CIKE	Other	Confidential, only for members of the consortium (including the Commission Services)	9
D1.6	3rd Networking Meeting participation	1 - CIKE	Other	Confidential, only for members of the consortium (including the Commission Services)	14
D1.7	4th Networking Meeting participation	1 - CIKE	Other	Confidential, only for members of the consortium (including the Commission Services)	21
D1.8	Final Technical Implementation, Report including a comprehensive part on promotion	1 - CIKE	Report	Confidential, only for members of the consortium (including the Commission Services)	24

List of deliverables

Deliverable Number ¹⁴	Deliverable Title	Lead beneficiary	Type ¹⁵	Dissemination level ¹⁶	Due Date (in months) ¹⁷
	activities, Financial Statement				

Description of deliverables

3 six-monthly technical management reports including report on promotion activities.
 4 Networking Meetings participation.
 Final Technical Implementation, Report including a comprehensive part on promotion activities, Financial Statement.

D1.1 : 1st Six-monthly technical management report including report on promotion activities [7]
 1st Six-monthly technical management report including report on promotion activities

D1.2 : 2nd Six-monthly technical management report including report on promotion activities [13]
 2nd Six-monthly technical management report including report on promotion activities

D1.3 : 3rd Six-monthly technical management reports including report on promotion activities [19]
 3rd Six-monthly technical management reports including report on promotion activities

D1.4 : 1st Networking Meeting participation [3]
 1st Networking Meeting participation

D1.5 : 2nd Networking Meeting participation [9]
 2nd Networking Meeting participation

D1.6 : 3rd Networking Meeting participation [14]
 3rd Networking Meeting participation

D1.7 : 4th Networking Meeting participation [21]
 4th Networking Meeting participation

D1.8 : Final Technical Implementation, Report including a comprehensive part on promotion activities, Financial Statement [24]
 Final Technical Implementation, Report including a comprehensive part on promotion activities, Financial Statement.

Schedule of relevant Milestones

Milestone number ¹⁸	Milestone title	Lead beneficiary	Due Date (in months)	Means of verification
MS1	Consortium Agreement	1 - CIKE	1	Consortium agreement signed by all partners.
MS2	Kick-off meeting	1 - CIKE	1	First partners meeting, setting the strategy, communication and management plan.
MS3	Administration guidelines	1 - CIKE	1	Delivery of administrative guidelines after receiving them when the official templates for the reporting and Sygma are ready for the continuous reporting.

Schedule of relevant Milestones

Milestone number¹⁸	Milestone title	Lead beneficiary	Due Date (in months)	Means of verification
MS10	Procedures for Help Desk	8 - C2MASI S.L.	3	Delivery of basic materials for new partners of consortium.
MS11	Procedures for Matchmaking tool	8 - C2MASI S.L.	3	Delivery of basic materials.

Work package number ⁹	WP2	Lead beneficiary ¹⁰	1 - CIKE
Work package title	Promotion of the program and recruitment of entrepreneurs		
Start month	1	End month	18

Objectives

WP 2 objective is to develop and apply promotional campaign that results in the recruitment of at least 210 applicants and with direct enrollment support. The project partners led by Creative Industry Kosice will promote the project through their national and international networks, engage NEs through direct interviews, new media, and Skype.

WP 2 will have the following results:

- All members of the 8 partner networks are informed about EXCITE and associated events
- At least 210 entrepreneurs applied for the EYE program

Description of work and role of partners

WP2 - Promotion of the program and recruitment of entrepreneurs [Months: 1-18]

CIKE, ECBN, Ale kommun, Kulturni Kod, Gelsenkirchen, CREARE, Zavod Poligon, C2MASI S.L.

A) Promotion of the program by 8 Partner networks – Intermediary organisations (IOs)

The project is provided with an already existing network of contacts of CCI-entrepreneurs all over Europe. Moreover, chasing the same goals as EXCITE 2.0, ECBN's Board Members laid out a well functioning network of Easy Landing Points and 48 creative centres (creative incubators hosting several companies at one location in co-working spaces) in 22 European countries that enables entrepreneurs all over Europe to find each other and work together. This network will be used directly, ensuring instant access to target groups, and therefore a solid way to manage and promote the program, and to recruit and match CCI-entrepreneurs.

In addition to ECBN networks and the European reach of the ELPs, the project will also be promoted by 8 partners, each of which has a substantial CCI network of its own to draw on, as well as many national and international contacts. Thus the project has CCI networks directly in: Slovakia (Creative Industry Kosice), Austria (Creative Region Linz), Spain (Conexiones Improbables), Sweden (Ale Municipality), Germany (RUHR.2010, Creative.Quarter network in the Ruhr area), Austria (Creative Region Linz&Upper Austria), Slovenia (Poligon) and Serbia (Kulturni Kod/Nova Iskra). Indirectly, through member, partners and associated organisations, network includes UK (Creative England), Amsterdam Economic Board (Netherlands), CREATIVE.NRW - Cluster Management Creative Industries in North Rhine-Westphalia and Federal Competence Centre for Culture and Creative Industry (Germany).

Furthermore, the City of Gelsenkirchen is connected to the Network for Innovations in Culture and Creativity Europe (N.I.C.E.), is co-shareholder of the European Centre for Creative Economy (ecce), which organizes the Forum D'Avignon Ruhr (FAR). Creative Industry Kosice is the managing body for Kosice Creative Economy Master Plan and Cultural Strategy for the city. Through various projects it can reach partners network even in Czech Republic, Poland, Italy, Belgium, Estonia, Portugal. Conexiones Improbables is connected to the Creative Clash European Network and the local and regional networks and associations. General Manager of Conexiones Improbables is the President of Karraskan, a professional association for the promotion of innovation in culture and the culture of innovation in the Basque Country. Kulturni Kod/Nova Iskra brings together a community of 250+ creative professionals in its Creative Hub, and 50+ companies in its Industry Hub. It maintains close contacts with stakeholders, other civil society organizations, companies, SMEs and other incubators that are focused on different areas. In addition, the 8 partners will be able to promote the project via local and national Chambers of Commerce. In short, each partner can promote EXCITE to local and Europe wide partners.

As stressed in the EYE Implementation Manual for Intermediary Organisations, the project partners pay special attention to the promotion and recruitment of host entrepreneurs, with the above activities. Partner networks also contain experienced CCIs housed in partner incubators, etc. By being members of ECBN, the entrepreneurs express their willingness to work together with other European entrepreneurs.

Easy Landing Points - Easy Landing Points (ELPs) is a term and tool used by ECBN for national/local contact points all over Europe that are used by CCI-entrepreneurs to get access to foreign markets and potential partners. ELPs bring entrepreneurs together. They have vast knowledge on the CCI-landscape of their region/country, and are in direct contact with several CCIs in their region. An ELP can be, for instance a local CCI support agency, a governmental or public institution or a creative centre/incubator. The project partners, for instance also function as local ELPs during the project.

Media Kits EYE - The project partners will also use the latest media kit provided for by the EYE Support Office (SO) to enhance the visibility of the EC funding. Off-line promotional material will be ordered when necessary, 4 weeks in advance of the event where it will be displayed.

New media promotion - New media like Facebook, LinkedIn and Twitter will be used directly to inform network members of the 8 partners of the project and its potential value to new and host entrepreneurs. All project partners have their own social media pages. Also several LinkedIn-groups exist on cultural and creative entrepreneurship and other related subjects. During the cycle 7 of EYE program, special Facebook page was created and we aim to continue using it for all participating entrepreneurs. Project partners will use their social media pages to promote "EXCITE 2.0" and invite entrepreneurs.

B) Enrollment of entrepreneurs - However, whilst promotion will engage many committed and focused entrepreneurs that will register autonomously, project partners will actively offer assistance especially to host entrepreneurs, as they usually don't have time or good command of English to complete the registration forms. Project team members will directly support the enrollment process of these entrepreneurs – via face-to-face meetings, or Skype conferencing.

Participation per Partner

Partner number and short name	WP2 effort
1 - CIKE	0.95
2 - ECBN	0.60
3 - Ale kommun	0.29
4 - Kulturni Kod	0.95
5 - Gelsenkirchen	0.38
6 - CREARE	0.38
7 - Zavod Poligon	0.95
8 - C2MASI S.L.	0.40
Total	4.90

List of deliverables

Deliverable Number ¹⁴	Deliverable Title	Lead beneficiary	Type ¹⁵	Dissemination level ¹⁶	Due Date (in months) ¹⁷
D2.1	Link to Erasmus website	1 - CIKE	Websites, patents filling, etc.	Public	2

Description of deliverables

Link to Erasmus website.

D2.1 : Link to Erasmus website [2]

Link to Erasmus website

Schedule of relevant Milestones

Milestone number¹⁸	Milestone title	Lead beneficiary	Due Date (in months)	Means of verification
MS2	Kick-off meeting	1 - CIKE	1	First partners meeting, setting the strategy, communication and management plan.
MS4	Digital information packages	1 - CIKE	2	Delivery of digital information package to promote the program.
MS5	Promotional program for the project	1 - CIKE	2	Delivery of promotional program for the project.
MS6	Facebook Group	1 - CIKE	2	Setting of the Facebook group for promotion purposes.
MS7	Application assessment material/procedures	2 - ECBN	2	Delivery of application assessment materials/procedures.
MS8	Guide for applicants	1 - CIKE	2	Delivery of guide for applicants.

Work package number ⁹	WP3	Lead beneficiary ¹⁰	3 - Ale kommun
Work package title	Relationships building		
Start month	3	End month	20

Objectives

WP 3 objective is to ensure a high quality framework for assessing applications from new entrepreneurs and host entrepreneurs and supporting applicants in order to build the most successful relationships and matches between them. Moreover, based from the experiences the consortium has obtained within previous years, to provide the high quality match and preventing from possible disappointment, unfulfilled expectations, postponement or cancellation of business partnerships.

To fill this objectives, the following tasks will be carried out:

- to stimulate/ensure the quality of applicants and applications/assess applications
- to match new entrepreneurs with experienced host entrepreneurs properly, especially when expressing their mutual expectations
- to build relationships between new and host entrepreneurs
- to ensure international mobility is in line with the business plans and the goals set by new entrepreneurs

WP 3 will have the following results:

- At least 210 applicants and applications will be assessed successfully to IT tool
- Portfolios and business plans of all participants will be constantly up to date and easily reachable in both IT Tool and EXCITE On-line Tool.
- High quality of assessed business plans
- A total of at least 72 matches of high quality will be made

Description of work and role of partners

WP3 - Relationships building [Months: 3-20]

Ale kommun, CIKE, ECBN, Kulturni Kod, Gelsenkirchen, CREARE, Zavod Poligon, C2MASI S.L.

WP3, Relationships building between entrepreneurs is directly linked with WP2: it should harvest the results of the promotional activities and recruitment. The need of all CCIs is to embrace entrepreneurship, become more self-supportive by developing sound business plans, and expand their networks to have access to new markets and ideas. Therefore, these characteristics forms an assumption of high dedication to, substantial interest and wish to participate in the project from new entrepreneurs' side (point of view). Although, there is a lack of programs for covering this need, existence and popularity of international exchange organizations for the sector, like ECBN, ECCA, MEDIA desk and ECIA support this claim.

Specific tasks:

C) Assessing applications

Each IO will follow the participation process of applicant via the official EYE IT tool, according to Implementation Manual - quality standards and set deadlines.

Guidance during application process: CCI-entrepreneurs will be properly guided during the application process by the relevant IO (one of the 8 partners in consortium). This consists of an e-mail with all the necessary information on registration (incl. official registration guide) and a follow-up phone call, or interview in person, to ensure the entrepreneur is able to finish the application process. Next to that, the project partners will offer applicants the service of a central HelpDesk (within EXCITE On-line Tool).

Assessing the Business Plan of NEs: In this phase, new entrepreneurs need to submit their business plans, which, according to experience from last EYE program, is one of the bottlenecks in the approval process. This is the part where IOs will not only assess the submitted business plans, but their experience in related projects comes into place and they will provide support, feedback and expert facilitation while creating business plans.

D) Building relationships and promoting matches after successful registration

Own Initiative: To ensure the real commitment of the new entrepreneurs, the project partners encourage NEs to search for their foreign experienced hosts themselves, before applying. Host entrepreneurs should show the same motivation in looking for NEs themselves, and not only stating their interest in participating in the program and waiting to be contacted. By doing so, there will be the proof, that it the future collaboration and experience sharing will not only be the foremost interest of

NEs. Moreover, this process enables the network to constantly grow, not to fix only to networks that IOs already has. Building on new and host entrepreneurs' own initiative, other methods of matching will be deployed.

Guided contact: The IOs will also actively encounter registered/potential NEs and HEs, to ensure the best matches are made. Based on their direct relationship with and knowledge of the target group, they will be able to involve the sufficient amount of suitable entrepreneurs in the project. In these cases, involved IOs will advise the applicant(s) on the possibilities of potential HEs or NEs based on their expectations and preferences. Relationships building process will be strongly supported by the project partners who will proactively help and encourage or recommend partner matches based on matches as possible, but rather, focus on a limited number to ensure quality and relevant output of the collaborations.

Back up support and advice: The EXCITE On-line Tool with Help Desk will offer specific advice for entrepreneurs and companies wanting to work together but needing some extra help, such as understanding a particular national market, or gaining more knowledge about technology support, basics of contracting, etc.

Using the knowledge of partners from related projects and previous EYE program experience:

All project partners have already dealt with many NEs and HEs in their own networks. NEs will have personal consultations and meetings with project manager of related IO, so he/she will have the idea of the strengths and weaknesses of potential applicants. This will lead to assess the realism of an NE business plan, where the NE has had contact with the partner.

Enhancing the business plan of NEs: Each partner from consortium will allocate an expert from project team who will be capable of evaluating business plans. Due to previous experience, the expert will help the NE to enhance the plan and urge the company to focus attention on any obvious weaknesses. This assistance with plans will prepare NEs for partnerships and the rigours of market reality. The development of the NE's business plan will also provide the information whether the aims and methods identified fit well with the aims of the HE, and consequently whether a match is appropriate.

Direct interviews: Part of the assessment of business plans will involve an interview in person, via phone, or Skype, which will focus on the expectations of the exchange. IOs will interview both parties to ensure agreement on matching and subsequent commercial activity plans.

Supportive tools for matching: Part of the assessment of the match will involve an expert examination on the EXCITE On-line Tool, that was successfully developed within previous EYE program. Apart from the official EYE system, IOs have internal tool available with enhanced criteria of registered and committed applicants (including interviews notes, strengths, weaknesses, etc.) and kept up to date track of interested NEs and HEs.

In the match closing, experienced team members from consortium will focus on the exchange criteria and compatibility of match. Registered applicants will be contacted two-weekly by e-mail to inform them on potential matches and stimulate them to proactively use the official and internal matchmaking tools themselves or seek help from the help desk or local partner in facilitating a suitable match. Though the numbers of companies could be large, the dispersal of the monitoring task amongst 8 partners makes it both realistic and achievable.

Participation per Partner

Partner number and short name	WP3 effort
1 - CIKE	2.71
2 - ECBN	1.64
3 - Ale kommun	0.98
4 - Kulturni Kod	2.62
5 - Gelsenkirchen	1.43
6 - CREARE	1.17
7 - Zavod Poligon	3.10
8 - C2MASI S.L.	1.43

Partner number and short name	WP3 effort
Total	15.08

List of deliverables

Deliverable Number ¹⁴	Deliverable Title	Lead beneficiary	Type ¹⁵	Dissemination level ¹⁶	Due Date (in months) ¹⁷
D3.1	Matching relationships assessed	1 - CIKE	Other	Public	20

Description of deliverables

At least 210 applicants and applications will be assessed successfully to IT tool.

D3.1 : Matching relationships assessed [20]

To match new entrepreneurs with experienced host entrepreneurs properly, especially when expressing their mutual expectations and to build relationships between new and host entrepreneurs.

Schedule of relevant Milestones

Milestone number ¹⁸	Milestone title	Lead beneficiary	Due Date (in months)	Means of verification
MS8	Guide for applicants	1 - CIKE	2	Delivery of guide for applicants.
MS9	Information packages	1 - CIKE	2	Delivery of information packages for each new entrepreneur.
MS10	Procedures for Help Desk	8 - C2MASI S.L.	3	Delivery of basic materials for new partners of consortium.
MS11	Procedures for Matchmaking tool	8 - C2MASI S.L.	3	Delivery of basic materials.

Work package number ⁹	WP4	Lead beneficiary ¹⁰	1 - CIKE
Work package title	Relationships management		
Start month	4	End month	24

Objectives

WP 4 objective is to support collaboration of entrepreneurs in the different stages of their career by building their relationship and working together in order to ensure a high quality and long term outputs. The part of this step is to handle the actual collaboration process between entrepreneurs after match.

To fill this objectives, the following tasks will be carried out:

- to manage contracts and finances of matches;
- to support existing matches between NEs and HEs;
- to organize Creative Trade Mission in 2019.

WP 4 will have the following results:

- 72 successful matches will take place, each for 3 months on average;
- A high quality business planning support expertise is made available to NEs;
- A central Help Desk is operational to answer all questions of participants;
- The list of FAQ published on the websites
- A high quality process of monitoring running matches is operational during the project;
- Creative Trade Mission in 2019 takes place;
- Best practices on exchange have been documented for further use.

Description of work and role of partners

WP4 - Relationships management [Months: 4-24]

CIKE, ECBN, Ale kommun, Kulturni Kod, Gelsenkirchen, CREARE, Zavod Poligon, C2MASI S.L.

All-partner's experience in many residency programs, business interventions and in previous EYE program has shown the necessity of meetings in person when starting collaboration between entrepreneurs, so it will be processed principally through face to face meetings between IOs, HEs and NEs. The meetings will be supported by expert facilitation and business advice to overcome important gaps between the two entrepreneurs' mindsets. Partners' previous results show that it is very important to proactively work with both NEs and HEs throughout the whole cooperation process between them. Big emphasis will be also put on the pre-stay period of matched NEs, supporting them by giving useful information package about the country of stay, helping find accommodation, etc.

When it comes to a commitment between a NE, HE, new entrepreneur's IO and host entrepreneur's IO, the new entrepreneur's IO will take the lead in drafting/approving/signing it and arranging the financial assistance to the NE (managing/directly informing the NE, HE and HIO). Creative Industry Kosice, as the Leader of the WP4, will manage new entrepreneur's IOs in their work by providing the example draft of the Commitment document, and coordinating and administering all financial transactions made to NEs by the different IOs.

Preparing the exchange and induction course

During the application process (before approval or rejection) of NE, each IO will be asked to provide a package of necessary information on local/national financial sources of the (envisaged) host country. All information will be provided to any interested NE in short 1-on-1 course explaining basics of the mobility program and giving feedback on questions.

Follow up of the exchanges

Business plan development: At the very beginning, just after the match, new entrepreneur will be introduced to host entrepreneur by IO. After short preparation in the host country, NEs will present their plan to the HE at the start of the collaboration, receiving first feedback. Through the cooperation phase (during the mobility stay), experts/coaching support will be provided to NEs to further develop their business plan.

Match Monitor: The project partners will actively communicate and support NEs and HEs during their collaboration (mobility stay). Monitoring of the collaboration will consist of at least 1 contact moment each month between the new entrepreneur's IO/host entrepreneur's IO and the NE/HE: a short interview (via phone/Skype) on the proceedings of the collaboration and inventory taking of all issues/obstacles in the collaboration, and any practical issues the NE might be struggling with. At the end of the each collaboration, the entrepreneurs will be contacted again. Information will

be gathered by the project partners to create a final report on best practices in matching, containing information on mainly this topics:

- on-the-job-training experiences (what worked, what has to be avoided);
- successful new business models (pitch and pilot results);
- future plans of participants, regarding international exchange and commercial collaboration;
- new products or processes developed;
- new markets penetrated by NEs.

Results gathered during the project will be used to advise newly starting matches on do's, don'ts. Also will form the project evaluation to indicate how effective the matching has been.

Help Desk: Next to that, a central HelpDesk is installed to the benefit of every participating party. This Help Desk will be run by Creative Industry Kosice as a part of the EXCITE On-line tool, that was developed and successfully implemented within the previous project. Within this, consortium will be collecting questions/remarks/complaints. Creative Industry Kosice will manage or directly provide the follow-up every contact, if a direct answer by participating parties cannot be given.

Creative Trade Mission: At the end of the project, entrepreneurs and other companies from CCIs will be invited to meet and pitch ideas, experiences and improved business plans at the Creative Trade Mission.

Participation per Partner

Partner number and short name	WP4 effort
1 - CIKE	2.24
2 - ECBN	1.33
3 - Ale kommun	0.67
4 - Kulturni Kod	2.19
5 - Gelsenkirchen	1.05
6 - CREARE	1.14
7 - Zavod Poligon	2.62
8 - C2MASI S.L.	0.98
Total	12.22

List of deliverables

Deliverable Number ¹⁴	Deliverable Title	Lead beneficiary	Type ¹⁵	Dissemination level ¹⁶	Due Date (in months) ¹⁷
D4.1	Best practice report	6 - CREARE	Report	Public	24

Description of deliverables

Best practice report

D4.1 : Best practice report [24]

Best practice report

Schedule of relevant Milestones

Milestone number¹⁸	Milestone title	Lead beneficiary	Due Date (in months)	Means of verification
MS11	Procedures for Matchmaking tool	8 - C2MASI S.L.	3	Delivery of basic materials.
MS12	1st Matchmaking meeting	1 - CIKE	5	Meeting of all partners to match available NEs and HEs within consortium.
MS13	2nd Matchmaking meeting	1 - CIKE	16	Meeting of all partners to match available NEs and HEs within consortium.
MS14	Creative Trade Mission - final event	1 - CIKE	20	Organising the final event of the project.

1.3.4. WT4 List of milestones

Milestone number ¹⁸	Milestone title	WP number ⁹	Lead beneficiary	Due Date (in months) ¹⁷	Means of verification
MS1	Consortium Agreement	WP1	1 - CIKE	1	Consortium agreement signed by all partners.
MS2	Kick-off meeting	WP1, WP2	1 - CIKE	1	First partners meeting, setting the strategy, communication and management plan.
MS3	Administration guidelines	WP1	1 - CIKE	1	Delivery of administrative guidelines after receiving them when the official templates for the reporting and Sygma are ready for the continuous reporting.
MS4	Digital information packages	WP2	1 - CIKE	2	Delivery of digital information package to promote the program.
MS5	Promotional program for the project	WP2	1 - CIKE	2	Delivery of promotional program for the project.
MS6	Facebook Group	WP2	1 - CIKE	2	Setting of the Facebook group for promotion purposes.
MS7	Application assessment material/procedures	WP2	2 - ECBN	2	Delivery of application assessment materials/ procedures.
MS8	Guide for applicants	WP2, WP3	1 - CIKE	2	Delivery of guide for applicants.
MS9	Information packages	WP3	1 - CIKE	2	Delivery of information packages for each new entrepreneur.
MS10	Procedures for Help Desk	WP1, WP3	8 - C2MASI S.L.	3	Delivery of basic materials for new partners of consortium.
MS11	Procedures for Matchmaking tool	WP1, WP3, WP4	8 - C2MASI S.L.	3	Delivery of basic materials.
MS12	1st Matchmaking meeting	WP4	1 - CIKE	5	Meeting of all partners to match available NEs and HEs within consortium.
MS13	2nd Matchmaking meeting	WP4	1 - CIKE	16	Meeting of all partners to match available NEs and HEs within consortium.
MS14	Creative Trade Mission - final event	WP4	1 - CIKE	20	Organising the final event of the project.

1.3.5. WT5 Critical Implementation risks and mitigation actions

Risk number	Description of risk	WP Number	Proposed risk-mitigation measures
1	Lack of performance of consortium partners.	WP1	There will be 6 monthly reporting system set for the consortium, lack of performance of the project partners could be covered by rising the number of NEs or HEs for the other partners. In case of long term failure in objectives, the partner will be replaced. In terms of this, the consortium has already specified the potential substitute partner.
2	Far more new entrepreneur's applications than host entrepreneur's ones.	WP2	Looking for host entrepreneurs beyond consortium partners. In the previous EYE program (Cycle 7) numbers of NEs and HEs were balanced, which was also result of consistent promotion for both.
3	Terminated matches due to misunderstanding of program and unfulfilled expectations.	WP3	Proper interviews between NEs and IO; HEs and IO to discuss expectations properly. Regularly inform all partners within consortium about the relationship management strategies.
4	Operations within IT Tool management	WP4	Prepare the information seminar during the Kick off meeting, to get the proper information, especially for new partners within the consortium.

1.3.6. WT6 Summary of project effort in person-months

	WP1	WP2	WP3	WP4	Total Person/Months per Participant
1 - CIKE	4.76	0.95	2.71	2.24	10.66
2 - ECBN	0.71	0.60	1.64	1.33	4.28
3 - Ale kommun	0.71	0.29	0.98	0.67	2.65
4 - Kulturni Kod	0.95	0.95	2.62	2.19	6.71
5 - Gelsenkirchen	0.86	0.38	1.43	1.05	3.72
6 - CREARE	0.71	0.38	1.17	1.14	3.40
7 - Zavod Poligon	0.95	0.95	3.10	2.62	7.62
8 - C2MASI S.L.	0.71	0.40	1.43	0.98	3.52
Total Person/Months	10.36	4.90	15.08	12.22	42.56

1.3.7. WT7 Tentative schedule of project reviews

Review number ¹⁹	Tentative timing	Planned venue of review	Comments, if any
RV1	13	EASME, Brussels, Belgium	the meeting will be organised if necessary for the project's implementation

1. Project number

The project number has been assigned by the Commission as the unique identifier for your project. It cannot be changed. The project number **should appear on each page of the grant agreement preparation documents (part A and part B)** to prevent errors during its handling.

2. Project acronym

Use the project acronym as given in the submitted proposal. It can generally not be changed. The same acronym **should appear on each page of the grant agreement preparation documents (part A and part B)** to prevent errors during its handling.

3. Project title

Use the title (preferably no longer than 200 characters) as indicated in the submitted proposal. Minor corrections are possible if agreed during the preparation of the grant agreement.

4. Starting date

Unless a specific (fixed) starting date is duly justified and agreed upon during the preparation of the Grant Agreement, the project will start on the first day of the month following the entry into force of the Grant Agreement (NB : entry into force = signature by the Commission). Please note that if a fixed starting date is used, you will be required to provide a written justification.

5. Duration

Insert the duration of the project in full months.

6. Call (part) identifier

The Call (part) identifier is the reference number given in the call or part of the call you were addressing, as indicated in the publication of the call in the Official Journal of the European Union. You have to use the identifier given by the Commission in the letter inviting to prepare the grant agreement.

7. Abstract

8. Project Entry Month

The month at which the participant joined the consortium, month 1 marking the start date of the project, and all other start dates being relative to this start date.

9. Work Package number

Work package number: WP1, WP2, WP3, ..., WPn

10. Lead beneficiary

This must be one of the beneficiaries in the grant (not a third party) - Number of the beneficiary leading the work in this work package

11. Person-months per work package

The total number of person-months allocated to each work package.

12. Start month

Relative start date for the work in the specific work packages, month 1 marking the start date of the project, and all other start dates being relative to this start date.

13. End month

Relative end date, month 1 marking the start date of the project, and all end dates being relative to this start date.

14. Deliverable number

Deliverable numbers: D1 - Dn

15. Type

Please indicate the type of the deliverable using one of the following codes:

- R Document, report
- DEM Demonstrator, pilot, prototype
- DEC Websites, patent filings, videos, etc.
- OTHER
- ETHICS Ethics requirement
- ORDP Open Research Data Pilot

16. Dissemination level

Please indicate the dissemination level using one of the following codes:

- PU Public
- CO Confidential, only for members of the consortium (including the Commission Services)
- EU-RES Classified Information: RESTREINT UE (Commission Decision 2005/444/EC)
- EU-CON Classified Information: CONFIDENTIEL UE (Commission Decision 2005/444/EC)
- EU-SEC Classified Information: SECRET UE (Commission Decision 2005/444/EC)

17. Delivery date for Deliverable

Month in which the deliverables will be available, month 1 marking the start date of the project, and all delivery dates being relative to this start date.

18. Milestone number

Milestone number: MS1, MS2, ..., MSn

19. Review number

Review number: RV1, RV2, ..., RVn

20. Installation Number

Number progressively the installations of a same infrastructure. An installation is a part of an infrastructure that could be used independently from the rest.

21. Installation country

Code of the country where the installation is located or IO if the access provider (the beneficiary or linked third party) is an international organization, an ERIC or a similar legal entity.

22. Type of access

- VA if virtual access,
- TA-uc if trans-national access with access costs declared on the basis of unit cost,
- TA-ac if trans-national access with access costs declared as actual costs, and
- TA-cb if trans-national access with access costs declared as a combination of actual costs and costs on the basis of unit cost.

23. Access costs

Cost of the access provided under the project. For virtual access fill only the second column. For trans-national access fill one of the two columns or both according to the way access costs are declared. Trans-national access costs on the basis of unit cost will result from the unit cost by the quantity of access to be provided.

Annex 1 to the Grant Agreement (Description of the Action)

COSME Grant Agreement Erasmus (GAE)

Structure of the description of the action

The description of the action, which is **Annex 1 to the Grant Agreement**, contains the details of the implementation of the action (project) with regard to the **work packages**, **deliverables**, **milestones**, and **resources** – organised in a table format - and a detailed **narrative description** of the work.

It consists of two parts, which can be directly generated from the submitted proposal:

- **Part A** of Annex 1 contains the cover page, the project summary, the list of participants and the work plan tables, which provide details on the implementation of the action. **Part A is generated by the system through online forms.**
- **Part B** of Annex 1 is the narrative part of the description of the action. *It has to be uploaded by the coordinator as a PDF document. All pages must be numbered and each page should be headed with the project acronym and proposal number. The content of Part B should be copied from the respective section of the submitted proposal, as indicated in the structure below. The structure and the order of chapters and sections should be followed as indicated below.*

The IT system will create the description of the action (Annex 1) composed of two files:

- *one file generated through online forms containing PART A*
- *a second file PART B "the narrative part" uploaded in PDF format*



Project acronym:

Project Number:

PART A

NOTE that PART A will be generated by the IT system once you have filled in the obligatory grant preparation data in the Participant Portal.

Cover Page

Table of contents

1.1. The project summary *(Automated - Based on proposal table A1 - Abstract)*

1.2. The list of beneficiaries *(Automated - Based on proposal table A2 – Administrative data of participating organisations)*

1.3. Work plan tables *(Please fill in the data in the Participant Portal based on the information in your proposal)*

1.3.1. WT1 list of Work packages *(overview only – no description)*

1.3.2. WT2 list of deliverables *(proposal section A.2.2) ¹*

1.3.3. WT3 Work package descriptions *(proposal section B.3 Work Plan/each Work Package)*

1.3.4. WT4 list of milestones per Work Package *(proposal sections A.2.3)*

1.3.5. WT5 Critical Implementation risks and mitigation actions *(proposal section A.2.4) ²*

1.3.6. WT6 Summary of project efforts including planned effort *(person months) ³*

1.3.7. WT7 tentative schedule of project reviews *(set by Commission/Agency) ⁴*

¹ All deliverables must be meaningful and measurable. Every deliverable will have to be submitted to the EASME via the Participants Portal grant management tool. Please ensure a reasonable amount and numbering of deliverables. The following deliverables are mandatory: 1st Six-monthly progress report (to be delivered in month 7), 2nd Six-monthly progress report (month 13), 3rd Six-monthly progress report (month 19), Link to EYE programme website (month 2), 1st Networking Meeting participation (month 3), 2nd Networking Meeting participation (month 9), 3rd Networking Meeting participation (month 14), 4th Networking Meeting participation (month 21)

² The critical risks must include "Difficulties to reach set relationship targets (for consortium and individual partners)" and propose adequate mitigating measures for which the consortium is requested to have a methodology in place at the start of the project (e.g. by means of suitable measures agreed in the mandatory Consortium Agreement).

³ Conversion rate from person-days into person months: please apply the national/contractual legislation applicable in the country of your partners (or work with average for your consortium). Please ensure accurate conversion.

⁴ The Agency will fill the mandatory review meeting approximately after 1 year of project duration. If called for such meeting, the attendance is mandatory for all consortium partners.



Project acronym:

Project Number:

PART B

History of changes

1. *Addition of the data about Effort for each Work package in the System for Grant Management:*

WP1

1 CIKE	4,76
2 ECBN	0,71
3 ALE Kommun	0,71
4 Kulturni Kod	0,95
5 Gelsenkirchen	0.86
6 CREARE	0,71
7 Poligon	0,95
8 C2MASI	0,71
TOTAL	10,36

WP2

1 CIKE	0,95
2 ECBN	0,60
3 ALE Kommun	0,29
4 Kulturni Kod	0,95
5 Gelsenkirchen	0,38
6 CREARE	0,38
7 Poligon	0,95
8 C2MASI	0,40
TOTAL	4,9

WP3

1 CIKE	2,71
2 ECBN	1,64
3 ALE Kommun	0,98
4 Kulturni Kod	2,62
5 Gelsenkirchen	1,43

Project acronym:

Project Number:

6 CREARE	1,17
7 Poligon	3,10
8 C2MASI	1,43
TOTAL	15,08

WP4

1 CIKE	2,24
2 ECBN	1,33
3 ALE Kommun	0,67
4 Kulturni Kod	2,19
5 Gelsenkirchen	1,05
6 CREARE	1,14
7 Poligon	2,62
8 C2MASI	0,98
TOTAL	12,22

2. Addition of the data into Deliverables in the System for Grant Management:

Number	Relative Number in WP	Title	Lead Beneficiary	Type	Dissemination Level	Due Date (in months)
11	D3.1	Matching relationships assessed	Creative Industry Kosice	OTHER	PU	M20

*3. Change in Technical Annex 1, Description of the Action, part A.2.2 List of Deliverables, change in the Due date (in months)**Before:*

D3	WP1	3rd Six-monthly technical management reports including report on promotion activities	Creative Industry Kosice	R	CO	M9
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After:

D3	WP1	3rd Six-monthly technical management reports including report on promotion	Creative Industry Kosice	R	CO	M19
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Project acronym:

Project Number:

		activities				
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4. *Change in Technical Annex 1, Description of the Action, part A.2.2 List of Deliverables, change in the Due date (in months)*

Before:

D5	WP1	1st Networking Meeting participation	Creative Industry Kosice	Other	CO	M2
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After:

D5	WP1	1st Networking Meeting participation	Creative Industry Kosice	Other	CO	M3
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5. *Change in Technical Annex 1, Description of the Action, part B.2.2 Operational/Technical Capacity: staff involved in the project.*

Before:

B.2.2 Operational/Technical Capacity: staff involved in the project				
Partner No and Acronym	Position of staff member in the organisation⁵	Summary of relevant skills and experience⁶	List of tasks and role in the project	Allocation to the project (% of FTE⁷)
1 CIKE	Director (Michal Hladký)	Management and coordination of various project: EXCITE, Creative lenses, Escalator, Interface.	Senior Expert - general project supervision, advising on the strategy and plan fulfilment, approaching relevant HEs and NES through internal networks, promotion of	0,10

⁵ E.g. Director, Programme Coordinator, Programme Manager, Project Assistant, Secretary etc. (further roles could be added)

⁶ Please list relevant experience only.

⁷ = Full Time Equivalent. All consortium members are requested to foresee a reasonable engagement in terms of FTE % for the project implementation. Ideally, project coordinators should not dedicate less than 0.5 FTE to the project.



Project acronym:

Project Number:

			EYE	
1 CIKE	Senior project manager (Ivana Fil'ková)	Coordinator and financial manager of project Excite, Financial management of Creative lenses, Coordination of research and development project.	Project coordinator - General project coordination, partnership management and communication, partners meeting and events coordination, reporting, communication with EC, monitoring of implementation and goals achievement	0,13
1 CIKE	Project Manager (Alexandra Juríková)	Financial management of Escalator project and residency projects from 2013, Financial reporting within Ministry of Culture projects, Administration, Contracting, Working with accountants, Communicationn with partners and stakeholders.	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	0,12
1 CIKE	Project Manager (Barbora Spišáková)	Project assistant at EYE project 2015 - 2017; Management of educational programme; management of Erasmus+ project Co.Create; organisation and production of workshops, seminars, events	Project manager - Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Communication with partners	0,17
2 ECBN	Managing Director (Adrian Schneew)	Various EU projects: EXCITE, ACE CREATIVE, eCreative; Expansion Lead at Makerversity Amsterdam; Business Development Coach	Project manager - Recruitment process Communication with HEs and NEs,	0,06



Project acronym:

Project Number:

			Matchmaking, Project Management, Networking and Community Building, Relationships building, Commu nication with partners	
3 ALE Kommun	Coordinator to enterprise manager (Marie Bergvall)	Enterprise manager in Ale kommun, Municipal Executive Board, CEO&Partner Netprint solution (IT company with focus on security), Founder MB Konsult	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	0,10
4 Kulturni Kod	Communications Manager (Monja Bogetić)	Full management of all communication for the organization Kulturni kod/Nova Iskra and its local and international projects	Assistant manager - Promotion of EYE; Facilitation of open calls; Writing of supporting materials; social networks; internal communication; supporting activities for NEs and HEs	0,08
8 C2MASI (Conexiones Improbables)	Project manager (Nora Busturia)	Project manager EYE 2015 - 2017; Manager of Bilbao Bizkaia Design Council; Manager of Bilbao Bizkaia Design Week ; CEO at Peopleing studio - agency that provides creative services	Project manager - Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Commu nication with partners	0,07

Project acronym:

Project Number:

8 C2MASI (Conexiones Improbables)	Strategic development and general coordination (Martin Blanco Ainara)	Strategic developmetn and general coordinator at c2+i; Director of culture and sport at Ayuntamiento de Irun; Strategic designer at Farapi Koop; Cultural director in San Sebastian	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	0,07
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After:

B.2.2 Operational/Technical Capacity: staff involved in the project				
Partner No and Acronym	Position of staff member in the organisation ⁸	Summary of relevant skills and experience ⁹	List of tasks and role in the project	Allocation to the project (% of FTE ¹⁰)
1 CIKE	Director (Michal Hladký)	Management and coordination of various project: EXCITE, Creative lenses, Escalator, Interface.	Project coordinator - General project coordination, partnership management and communication, partners meeting and events coordination, reporting, communication with EC, monitoring of implementation and goals achievement	0,10
1 CIKE	Senior project manager (Ivana)	Coordinator and financial manager of project Excite, Financial	Financial manager - Payments,	0,13

⁸ E.g. Director, Programme Coordinator, Programme Manager, Project Assistant, Secretary etc. (further roles could be added)

⁹ Please list relevant experience only.

¹⁰ = Full Time Equivalent. All consortium members are requested to foresee a reasonable engagement in terms of FTE % for the project implementation. Ideally, project coordinators should not dedicate less than 0.5 FTE to the project.

Annex 1 – Description of Action (Part B) – Call for Proposals COS-EYE-2017-4-01



Associated with document Ref. Ares(2018)1271653 - 07/03/2018

Project acronym:

Project Number:

	Filková)	management of Creative lenses, Coordination of research and development project.	Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	
1 CIKE	Project Manager (Alexandra Juríková)	Management of Escalator project and residency projects from 2013, Financial reporting within Ministry of Culture projects, Administration, Contracting, Working with accountants, Communicationn with partners and stakeholders.	Project manager - Recruitment process, Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Communication with partners	0,17
1 CIKE	Project Manager (Denisa Draganovská)	Project management of Co.Create project within Erasmus+ scheme, management and coordination of Slovak Arts council projects, project administration.	Assistant manager - Promotion of EYE; Facilitation of open calls; Writing of supporting materials; social networks; internal communication; supporting activities for NEs and HES	0,12
2 ECBN	Managing Director (Bernd Fesel)	Researcher and senior advisor in the Cultural and Creative Economy in Europe, senior advisor at european centre for creative economy (ecce), board member of ENCATC - network on Cultural Management and Cultural Policy education.	Project manager - Recruitment process, Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Communication with partners	0,06



Project acronym:

Project Number:

3 ALE Kommun	Coordinator to enterprise manager (Kristina Engstrand)	Enterprise developer in Ale kommun, Municipal Executive Board. Project manager in the creative and entrepreneurial industry since 2010. Founder of Kristina Engstrand AB.	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	0,10
4 Kulturni Kod	Communications Manager (Minja Bogetić)	Full management of all communication for the organization Kulturni kod/Nova Iskra and its local and international projects	Assistant manager - Promotion of EYE; Facilitation of open calls; Writing of supporting materials; social networks; internal communication; supporting activities for NEs and HES	0,08
8 C2MASI (Conexiones Improbables)	European Project manager (Soraya Sánchez)	Cultural Manager and Musician. Teacher in creativity with a certification about Science and Cooking from Harvard University and about International Organisations Management from Geneva University. She has work in different private and public organisations about culture, entrepreneurship, international relationships, and others fields.	Project manager - Recruitment process, Communication with HES and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Communication with partners	0,09
8 C2MASI (Conexiones Improbables)	Administration and consultancy support (Mikel Bengoa)	He has a Master in Health Management, a degree in Business Administration and a Higher Technical Certificate in Sports. At the moment, he is working for Conexiones Improbables as technician and administrative and has work experience in the public and the private sector. He also provides	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication	0,05



Project acronym:

Project Number:

		consulting services in different sport clubs for the last 9 years.	with partners	
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6. Changing the description of the item of Costs of other goods and services within the budget for ECBN (Project partner 2) in Technical Annex 2 of the project proposal:

Before:

Costs of other goods and services		
Description	Work package no.	Total [EUR]
- Travel bursaries for participants	4	8 000
- Travel bursaries for participants	4	2 000
- Promotion	2	500
- Catering for CTM	4	1 000
- Catering for CTM	4	1 000
	Subtotal:	12 500

After:

Costs of other goods and services		
Description	Work package no.	Total [EUR]
- Travel bursaries for participants	4	8 000
- Fees for speakers	4	2 000
- Promotion	2	500
- Catering for CTM	4	1 000
- Space rent	4	1 000
	Subtotal:	12 500



Project acronym:

Project Number:

7. *Correction of the Unit cost table 2 (Erasmus for Young entrepreneurs' unit cost)¹¹ for the consortium in Annex 2a:*

Before:

Partners	Country of stay / Host country **	Monthly financial support (amount(s) per unit*) Estimated AVERAGE a	Estimated person-months (estimated number of units) b	Total in € c = a * b
Creative Industry Kosice, n.o.	COSME	10070	3	30210
ECB Network	COSME	3890	3	11670
Ale kommun	COSME	7230	3	21690
Kulturni Kod	COSME	7550	3	22650
Stadt Gelsenkirchen	COSME	5550	3	16650
Creative Region Linz&Upper Austria	COSME	8760	3	26280
Poligon	COSME	7390	3	22170
C2MASI	COSME	7470	3	22410
Partner 9	COSME			
Partner 10	COSME			
Total consortium for		57910	3	173730

After:

Partners	Country of stay / Host country **	Monthly financial support (amount(s) per unit*) Estimated AVERAGE a	Estimated person-months (estimated number of units) b	Total in € c = a * b
Creative Industry Kosice, n.o.	COSME	775	39	30210
ECB Network	COSME	778	15	11670
Ale kommun	COSME	803	27	21690
Kulturni Kod	COSME	839	27	22650

¹¹ Data will be taken from the 'detailed budget template' (Technical Annex 2 of the submitted proposal).



Project acronym:

Project Number:

Stadt Gelsenkirchen	COSME	793	21	16650
Creative Region Linz&Upper Austria	COSME	797	33	26280
Poligon	COSME	821	27	22170
C2MASI	COSME	830	27	22410
Total for consortium		805	216	173730

7. *Change of the contact person for Ale Kommun and Stichting European Creative Business Network:*

Before:

Ale kommun

Name: Marie Bergvall

Email: marie.bergvall@ale.se

Position in organization: Enterprise Division Manager

Department: Enterprise Division

Address: same as organization address

Website: www.ale.se

Phone: 0046706746990

Stichting European Creative Business Network

Name: Adrián Sneeuw

Email: adrian@ecbnetwork.eu

Position in organization: Managing director

Department: Stichting European Creative Business Network

Address: same as organization address

Website: www.ecbnetwork.eu

Phone: 0031629023696

After:

Ale kommun

Name: Kristina Engstrand

Email: kristina.engstrand@ale.se

Position in organization: EU Administrator

Department:

Address: same as organization address

Website: www.ale.se

Phone: 0046725031821

Stichting European Creative Business Network

Name: Bernd Fesel

Email: bernd@ecbnetwork.eu

Position in organization: Managing director

Department: Stichting European Creative Business Network

Address: same as organization address

Website: www.ecbnetwork.eu

Phone: 00491722111862

8. *Change of the LEAR of the organization Ale kommun and European Creative Business Network:*



Project acronym:

Project Number:

Before:

LEAR for Ale kommun – Jerry Brattåsen

LEAR for ECBN – Adrián Sneeuw

After:

LEAR for Ale kommun – Kristina Engstrand

LEAR for ECBN – Mehjabeen Patrick

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Project acronym:

Project Number:

2.1. Objectives of the Action

2.1.1. Specific Objectives of the Action

B.1.1 Specific objective(s) of the Action

The core of the consortium rose from the successful collaboration within EXCITE project approved in 2014. Strong performance was shown in the EASME statistics in which EXCITE was the consortium with very few dropouts, most intra-consortium matches and we were one of the most successful consortias in Cycle 7. In order to broaden the future impact of the project, It was enriched with new experienced partners from Balkan countries. All partners share the same focus within their activities - the support and growth of creative and cultural industries (CCI), a broad and diverse sector, which ranges from advertising and crafts to performing arts and video games. The main aim of the improved EXCITE 2.0 project is to focus on this perspective sector, which besides its direct economic value, play an important role in fostering and enhancing innovation across the wider economy, whether through the products and services they provide, or as a means of creating and spreading new ideas, knowledge and methods of working.

The project aims are in line with the fourth specific objective of COSME - “to promote entrepreneurship and entrepreneurial culture” mentioned in the COSME work program. Within the activities, the consortium is also sharing the objectives of Erasmus for Young Entrepreneurs mobility scheme;

- EXCITE 2.0 is helping new entrepreneurs (NEs) acquire and build managerial skills and further develop their business plan/activity by learning from experienced entrepreneurs;
- New entrepreneurs will get on-the-job-training while working on the concrete projects with host entrepreneurs;
- Supporting the development of host entrepreneurs (HEs), who can get fresh ideas, new business concepts, products or services from another environment from new entrepreneurs
- Raising entrepreneurs' awareness for the benefits from going international and, in particular, from exploiting the potential of the Single European Market by getting hands-on know-how about other national markets within the EU;
- creating new business partnerships and strengthening the networks between entrepreneurs from all around Europe, which will be able to spread innovative methods or products in the united European Market.

The cultural and creative industries (CCIs) are a broad and diverse sector, which ranges from advertising and crafts to performing arts and video games. The CCIs bring €558 billion in value added to GDP (4.4% of total EU GDP) and hold 8.3 million full time equivalent jobs (3.8% of total EU workforce) according to the 2014 TERA / Forum d'Avignon Study. In addition to direct economic value, the cultural and creative industries play a vital role in catalysing innovation across the wider economy, whether through the products and services they provide, or as a means of originating and spreading new ideas, knowledge and ways of working. In fact, creators are the core part of the economy. Their ideas, creativity, talent and entrepreneurship are what make it possible for producers, publishers, distributors and retailers to generate value. However, the sector faces serious challenges to growth.

Many CCIs are small: 80% are SMEs and the vast majority are micro businesses of 1 – 3 employees and this makes finding the investment to reach new markets hard. These enterprises face barriers to growth, in particular, lack of access to business and market knowledge, competitiveness and access to international markets. The need to improve entrepreneurial skills is felt by the sector, and promoted by governments. In order to grow, starting businesses need to enhance their business skills, access new and existing networks in order to improve business knowledge and sales and – most crucially - access international markets.

Based on the findings in Erasmus for young Entrepreneurs project, that consortium successfully finished in January, matching young entrepreneurs with peer experienced companies provides a solution to the challenges these businesses face. Successful and well-prepared matches can provide new enterprises with business knowledge and international market access, supplied by the experienced companies. The cross-border nature helps promote entrepreneurship itself and is directly relevant to a key EU policy objective of internationalisation and helping new and growing



Project acronym:

Project Number:

businesses to take advantage of the EU's Internal Market. Moreover, out of the box thinking and new innovative approaches are key for CCI entrepreneurs and bring them new ideas for their businesses. One of the successes we achieved in EYE program (Cycle 7) was continuous international cooperation between NE and HE even after the stay.

The main aim of the project is: To connect 144 European entrepreneurs in the cultural and creative industries in order to exchange knowledge and new ideas on entrepreneurship and innovation, and to provide access to markets across Europe, to share the knowledge, boosting international access and business development in the cultural and creative sector.

This project includes the following other goals:

- to enhance knowledge of entrepreneurship and business growth amongst 72 new CCI-entrepreneurs, by matching them with experienced peers all over Europe;
- to support 72 new CCI-entrepreneurs in their entrepreneurial development by providing knowledge and advice on entrepreneurship, business start-ups, international networking, practical selling in international markets and business plan development;
- to foster development of entrepreneurship and international cooperation of 72 host entrepreneurs who can promote and sell their products or services in new markets by matching them with 72 new entrepreneurs;
- to enhance the development of experienced entrepreneurs who can develop new, innovative products and services for sale in European markets in association with NEs;
- to strengthen and enlarge the international network of CCIs by using developed network tool – EXCITE On-line Platform to give CCIs access to new international markets by bringing together 144 cultural and creative entrepreneurs from different countries and connecting CCIs online;
- to support 72 project NEs to participate in a Creative Trade Mission 2019 to share the knowledge and experience and to establish an open innovation network.

B.1.2.1 Planned outcomes

	No. of Relationships*		No. of recruited entrepreneurs	
	NE	HE	NE	HE
Co-ordinator Creative Industry Kosice, n.o.	13	5	20	7
Beneficiary 1 ECB Network	5	13	7	20
Beneficiary 2 Ale kommun	9	9	13	13
Beneficiary 3 Kulturni Kod	9	9	13	13
Beneficiary 4 Stadt Gelsenkirchen	7	11	10	16
Beneficiary 5 Creative Region Linz&Upper Austria	11	7	16	10
Beneficiary 6 Poligon	9	9	13	13
Beneficiary 7 C2MASI (Conexiones Improbables)	9	9	13	13
TOTAL	72	72	105	105
Total no. of Relationships	144	Total number of recruited entrepreneurs	210	



Project acronym:

Project Number:

* RLT = 1 entrepreneur matched e.g. 30 RLTs = 20 NE and 10 HE (or any other possible combination)

B.1.2.2 Periodic objectives

Nr of Relationships	End of month	% of established matches towards the overall target (cumulative)	Source of verification
22	6	15%	EYE IT tool
43	12	30%	EYE IT tool
57	18	40%	EYE IT tool
22	24	15%	EYE IT tool

2.1.2. Relevance**B.1.6 Relevance****Creative Industry Kosice, n.o. (CIKE)**

Activities in the field of business support: Established by the city of Košice to manage the European Capital of Culture in 2013 aims to support creative industries in the city of Košice, the creative and cultural centre of Eastern Slovakia. Among plenty of projects, the main services delivered to CCIs are: supporting managerial and entrepreneurial skills, connecting academic training with the needs of the CCI market; incubator support for new entrepreneurs; local and international networking, supporting international exchanges through residencies; building international partnerships; developing strategies.

Access to CCI target groups: CIKE has been managing a number of funded programmes that have enabled access to the target group not only in Košice, but wider east-European region as well. Notably, the ESCALATOR project, Creative Industry Toolkit with its creative business residency programs, education programmes, including project management, business plan, marketing skills, and audience development program - all of them supporting emerging artists and creative entrepreneurs in various sectors and educational programmes for creative entrepreneurs and artists.

Practical experience and results achieved: In addition to above mentioned projects, CIKE has a record of bringing companies together across borders. Previous experience in leading EYE program 2015 – 2017 resulting in 156 matched NEs and HEs. Participating in Creative Lenses project under the program Creative Europe aiming to professionalise people working in cultural and creative fields and in Erasmus+ project Co.Create developing methodology using co-design approach. Networking activities under conferences and events, including: Policies for Social Era 2011, the Place! Conference (2013,2016) and Art&Tech Days (2016). Extensive networking under creative entrepreneurs exchange programmes in creative centres all around Europe.

European Creative Business Network (ECBN)

Activities in the field of business support: ECBN is a network of creative development agencies and creative centres founded in 2011. It consists of 49 members from 19 countries and over 220 creative centres. ECBN's core function is to open doors for agencies to provide new services to CCI-entrepreneurs that help them to find each other, work together and collaborate internationally. To achieve these goals the ECBN has two main programs: **Easy Landing Points** in every country with ECBN members provide creative businesses with up-to-date market information and access to new, local networks. **Creative Trade Missions** – ECBN's version of a successful approach - where businesses and organizations join forces to visit a new market, meet new collaborators and customers.

Access to Target Groups: ECBN has access to the CCI target group across Europe through: **Nearly 7,000 twitter followers;** A cascade system of publicity with members, sharing information with businesses in their area; Access to CCI networks e.g. Creative England and Amsterdam



Project acronym:

Project Number:

Economic Motor which have another networks and lead large EU projects. ECBN can tap into a wide range of local networks and local creative centres that each host a dozen to hundreds of entrepreneurs. This adds up to 80 different network entrances around Europe in 22 countries.

Practical Experience and Results Achieved: The Managing Director of ECBN has long standing experience in EU projects, as well as as the manager and founder of two different creative hubs in the Netherlands: Makerversity Amsterdam and Dansmakers Amsterdam. This gives ECBN direct experience of the needs of CCIs. Experience of matching NEs and HEs stems from the Easy Landing Points, the Market Place, the Board Members (in matching entrepreneurs and leading large European projects) and the Creative Trade Missions.

Ale Municipality

Activities in the field of business support: Enterprise division, prime focus lay on supporting business owners and entrepreneurs within the region of Ale municipality in business development. This is achieved via a wide range of activities such as inspirational lectures, business labs, workshops and via cooperation with other business supportive organizations such as Nyföretagarcentrum (support for startups), BRG (Business region Göteborg), local business networks such as FemAle (female business network) and Ale accelerate.

Access to the selected target groups: Enterprise division have access to target groups directly via Nyföretagarcentrum, and other activities for start-ups. They also have indirect access via networks and local business organizations. Between 2014 and 2016 Ale participated in EXCITE project with 10 NEs and 8 HEs who developed their work in collaboration. The European artists engaged in the companies in Ale developed cross-sector innovation in all kind of business sector and received a great amount of media interest. Ale accelerate, is the result of collaboration with the organization TILLT and Pia Areblad.

Practical experience and results achieved: WebFab Ale aims to bring forward different business ideas for e-commerce. All participants got business support from experienced coaches within the innovation-system, lectures with the purpose to motivate and guide the participants in development of their own business, office space, banking solution for web shop, trade and innovative business support process. "Young entrepreneurs in new Europe" is a training concept where participants receive the task of designing a business idea with an associated marketing and financial plan. Webfab Ale has developed into Ale Accelerate focusing on start-ups with the aim of creating work opportunities.

Creative Region Linz & Upper Austria

Activities in the field of business support: It is a joint initiative of the City of Linz and the Federal State of Upper Austria to support the growth of CCI entrepreneurs. It offers education and training programs, workshops, coachings. Events like: **Creative Media Entrepreneur:** 1 years workshops, coaching, mentoring and and pitching at international festivals for start ups; **Choch3:** yearly training program for young entrepreneurs. Besides this, it supports entrepreneurs with **series of workshops** focussing on pitching, copyright, PR, sponsoring, crowdfunding and networking for creative professionals.

Access to the selected target groups - Creative Region is the hub for creative entrepreneurs in the region with access to 4000 entrepreneurs via workshops, annual events, socialmedia, website services. It is located in the Tabakfabrik Linz, one of Austrias most important start up and creative hub: with incubators, accelerators, co-working spaces, makerspace and start ups situated. Creative Region is part of the innovation network of Upper Austria and collaborates with incubators, Universities, Chamber of Commerce.

Practical experience and results achieved - EXCITE 2015-2017: 15 Successful matches, still requests to Creative Region from NE side, great experiences with exchanges and positive feedback from NEs/HEs; **CO.CREATE- Erasmus+** Strategic Partnership project on developing and testing a curriculum for Co.Design; **Interreg 1VC-Project "Cross Innovation"**, collaboration between 11 European cities with the focus on exchange of innovative best practice and developing new models of co-working and financial models for young entrepreneurs; **"Creative Region in Residence" program** - CR sends CCIs to international creative hotspots on 2 month stipends; **"On Show":** common participation on international fairs and internationalisation activities

CONEXIONES IMPROBABLES

Activities in the field of business support: It is an international Plaform of hybridisation and transdisciplinary projects for change based in Bilbao, Spain. More than 200 projects have been developed using open innovation methodology to help all manner of businesses and organisations confront a challenge, problem or need in order to achieve creative and sustainable results. They work with artists, creators and thinkers to form hybrid teams of people comprising professionals such as those from the field of arts and culture, as well as members of the company or organisation itself. These teams work together for a fixed period to collaborate, co-create and co-investigate a challenge



Project acronym:

Project Number:

from the organisation.

Access to the selected target groups: Conexiones Improbables has strong relations with local administrations working with creative business and entrepreneurs, local universities; local business guilds and associations, and has a big own network of creative companies and creative entrepreneurs working in the region with direct contact.

Practical experience and results achieved in similar projects: C2+I has many years of experience in connecting professionals in the field of creative partnerships where artists intervene in business processes and developing social responsibility and innovation within international projects (Creative Clash). They are also experienced in consultancy activities for cities and cultural institutions on impact studies and developing sponsorship strategies. It has managed more than 200 different artistic interventions in different companies and organized more than 25 citizen innovation labs. The people involved in this project has more than 8 years of experience in creative entrepreneurs' exchanges and working with creative entrepreneurs.

City of Gelsenkirchen

Activities in the field of business support: Business support, including the support of the creative economy, is one of the core missions of the City of Gelsenkirchen and to Department of Culture with regard to cultural and creative scene (especially the support, promotion and funding of the independent cultural scene). The local business development office is part of a greater network comprising similar agencies within the Metropole Ruhr. The Department of Culture collaborates closely with the local business development office, the department of European Affairs as well as the Department of Urban Development, especially with regard to the development of the creative quarter Ückendorf.

Access to the selected target groups: The core objective of the Department of Culture lies in the consultation, support of the creative economy and activation of local creative class as a whole. On a regional level, the City is partner of ecce, the „European centre for creative economy“, both play an active role in the N.I.C.E. „Network for Innovations in Culture“. On a local level, the city has revived an old artists' settlement "Künstlersiedlung Halfmannshof" (part of the creative quarter Ückendorf).

Practical experience and results achieved: Since 2012 Gelsenkirchen's main focus regarding the creative industries lies on the Creative.Quarter Ückendorf: cultural movement and artistic initiative heading towards a new future within the setting of structural change. The aim of the promotion programme Creative.Quarters Ruhr, which started in 2012 is to support and accelerate the development of artistic and creative environments because of their influence on urban development processes.

Poligon

Activities in the field of business support: The organisation is operating the Poligon Creative Centre (total size 1200 m², 100+ coworkers and over 200 members in coworking community) specializing in empowerment of independent professionals in the fields of creative industries, social entrepreneurship and culture within different project as residencies, collaborations and internships and its programs: **Poligon Crowdfunding Lab** (research and development of crowdfunding models: workshops, lectures, mentoring and consulting); **Poligon Maker Lab** (prototyping and new product development support, 3D printing, engineering, consulting); **Events** (exhibitions, workshops, meetups, hackatons, jams, ...) with over more than 30.000 attendees on over 600 events.

Access to the selected target groups: Poligon is the main creative hub in Slovenia partnering with most relevant companies, educational institutions and NGOs in the focused fields. Its communication channels and partner network enable the high reach of target audiences.

Practical experience and results achieved in similar projects: **Internship and residency programmes:** Residencies for creative professionals and entrepreneurs, hosted 33 interns from 10 EU countries via Erasmus+ and other exchange programs. Thanks to this experience, they have developed their own methodology for selection process (application screenings and interviews), introduction and education about the field of work, task delegation, work motivation and fitting into the team dynamics, networking with relevant stakeholders. In 2015 Poligon has been awarded as best internship partner in Slovenia by national intermediary organization Movit.

Kulturni Kod (Nova Iskra)

Applicants' activities in the field of business support: Kulturni Kod runs Nova Iskra center, a coworking space and creative industries incubator of 700m² in central Belgrade since 2012. The space has hosted more than 200 full-time members so far, and more than 15.000 visitors.

Access to the selected target groups: Organisation has managing the community within coworking space (200 members), around 250 creative professionals from the entire Balkan region (Creative Hub) and SMEs, civil society organizations, stakeholders, governmental organizations and even larger companies (Industry Hub). Organisation provides individual service contracts for tailor-made services linked to the fields of design, strategic consulting, communications and facilitation for

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companies. Through their communication channels, they are able to reach a great number of professionals, not only from Serbia but also Croatia, Bosnia, Macedonia, Slovenia, etc.

Practical experience and results achieved in similar projects: Since 2012, they are running a residency program Designer in Residence with partners in Slovakia, Sweden, France and Germany. It is one of the main partners in the consortium of European Creative Hubs Network project within the Creative Europe program. They are running regular free expert consultation sessions – 70 participating experts provided approx. 400 free consultations for 200 creative professionals. Project Folkk aims to connect designers and traditional craftsmen across Balkans, and produce innovative homeware products that can be distributed globally. More than 250 programs of capacity-building lectures and workshops aimed at young entrepreneurs and creative professionals has been realised.

2.1.3. Target group / audience

B.1.3 Target group/audience

Consortium of 8 partners and the whole EXCITE 2.0 project comes from results within previous years. The partners from all round Europe are representing and nurturing valuable networks of entrepreneurs with a special impact of involving an international and wide target group of cultural and creative entrepreneurs.

EXCITE 2.0 is in line with COSME work program for year 2017 with focus on strengthening competitiveness, sustainability and growth of SMEs. Moreover, all actions are leading to promotion of entrepreneurship and entrepreneurial culture.

In defining CCIs, the project adopts the approach from the European Commission's Green Paper "Unlocking the potential of cultural and creative industries": "Cultural industries" are those industries producing and distributing goods or services which at the time they are developed are considered to have a specific attribute, use or purpose which embodies or conveys cultural expressions, irrespective of the commercial value they may have. Besides the traditional arts sectors (performing arts, visual arts, cultural heritage – including the public sector), they include film, DVD and video, television and radio, video games, new media, music, books and press.

This concept is defined in relation to cultural expressions in the context of the 2005 UNESCO Convention on the protection and promotion of the diversity of cultural expressions. "Creative industries" are those industries, which use culture as an input and have a cultural dimension, although their outputs are mainly functional. They include architecture and design, which integrate creative elements into wider processes, as well as subsectors such as graphic design, fashion design or advertising. Moreover, CCIs are employing, on average, more young people than any other sector.

The main target groups are starting and experienced CCIs entrepreneurs defined by following characteristics:

1. CCIs play an important role in catalysing innovation across the wider economy, adding value to other sectors and stimulating growth in the EU. Their ideas, creativity, talent and entrepreneurship are what make it possible for producers, publishers, distributors and retailers to generate value. This makes CCIs a vital sector in achieving to the goals of Europe 2020.
2. While developing this sector, the emphasis is mainly put on creativity, pushing the entrepreneurial aspects of running a company aside. This approach is no longer sustainable in the frame of current economic situation, but the need to improve entrepreneurial skills is felt by the sector, and promoted by governments (national and European).
3. The vast majority of the CCIs are SME's (80%), mostly micro-sized. Moreover, CCI-entrepreneurs are twice as likely to be self-employed compared to other fields of business.

Despite the considerable potential of CCIs, they remain undervalued and unrecognised, especially in terms of their ability to gain financial resources. The small, new companies face barriers to growth, in particular, lack of access to business knowledge, market knowledge and access to international markets. In order to help them, there is the need to enhance cross-border networks and platforms to help structure and strengthen the sector.



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EXCITE 2.0 follows and improves the situation of the target groups, because of the following:

1. All activities in EXCITE 2.0 project starts from entrepreneurship. The main idea is to match 72 pairs of NEs and HEs. They will be brought together to be able to share their knowledge and experience. Next advantage is that participating new CCI-entrepreneurs are offered supportive measures, built on partner's mobility, international networking and own entrepreneurship experiences. That will help them develop their entrepreneurial skills and know-how including business plan development.
2. Entrepreneurial success of CCIs is mostly limited by the size and reach of their (international) networks. By supporting at least 72 successful matches, EXCITE 2.0 project enhances mobility, exchange and brings useful Online tool to help building networks.
3. The project aims to broaden the capacity to experiment, to incorporate fresh ideas of other entrepreneurs, and to innovate by working together. These collaborations and a framework will provide participants with access to "the right mixture of skills" and "the right enablers" for successful entrepreneurship.

Apart from the main target group of CCI-entrepreneurs, project EXCITE may support really committed NEs and HEs from other sector as well. This is done not only to comply with the Quality Manual, but to support creative spillover effects across the economy.

2.1.4. Description of work methodology and tools

B.1.4 Description of work methodology and tools

Overview

The EYE project builds on an existing experience from previous EYE project and on proven network of partners, to scale up and provide additional support for enhanced quality and quantity of exchanges between them. It is backed by a strong coordinating group, robust project management approaches, and a commitment to improvement through evaluation.

Building on experience and existing networks.

EXCITE 2.0 is a consortium consisting of both well coordinated partners from previous EYE project and strategically picked new partners, all of them benefiting from already existing international network of cultural entrepreneurs and CCIs. The project not only builds on useful experience of former international projects, but also on a framework for exchange, already in place. By bringing new entrepreneurial experience for 63 NEs and challenging 61 HEs in the previous EYE project, we proved the relevance of this consortium and even added new partners to strengthen our network and cover new countries of NEs' interest. This considerable advantage will make the formation of 144 matches a very realistic goal.

Network of contacts to be applied

The networks of all project partners will be used to find and commit as many CCI-entrepreneurs to the project as possible. There are 8 local/regional European networks. The previous projects and results of partners indicate both a significant membership of European project networks and experience of business support provision, company exchanges and use of networks to promote business collaboration. Partners work with the target group on daily basis and, thus, are directly linked to potential participants in EYE program.

Resulting from the previous EYE program, each participating partner has a list of potential NEs, who showed interest in the project, but had been rejected due to the time reasons or that there weren't enough financial resources for more NEs to travel. All of these potential NEs will be contacted again and offered opportunity to participate in the program.

The program is built around four work packages, detailed below:

Work package 1 - Management, Networking and Reporting will link all work packages, ensure accurate reporting, and that communications and the work management between project partners are kept effective. The management structure will be maintained by the Project Co-ordinator, and



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supported by the work package leaders. The proposed delivery network comprises of well-known members with amount of connections, and partners will use their extensive experience of mutual international cooperation, including mobility programs, networking activities, business support events and others. Majority of the project partners (along with project Co-ordinator) have already been involved in EYE project and obtained precious experience in managing the project, communication, matching process, networking, etc.

The other 3 work packages contain all the actual activities that aim at successfully connecting 144 European CCI-entrepreneurs.

Work package 2 – Promotion and Recruitment, designed for the communication and promotion of the program towards the target group in a way which will ensure the recruitment of entrepreneurs, will make the connection between the project and the existing project partner networks of organisations supporting CCI-entrepreneurs in Europe. WP2 ensures a direct contact with the target groups and creation of a promotional strategies, which are to be followed though adjusted by all the project partners. WP2 will be linked to the databases and networks created during the last EYE project and will be a natural continuation. It also commits to provide ongoing support, eligibility criteria consultations and needed information to all potential participants. Above mentioned promotional activities will ensure the best quality of the applicants.

The next step is to respond to the commonly felt need amongst all CCIs to improve their entrepreneurial skills and to work together. Where creativity always came first, economical circumstances European wide, now force them to improve their business models. This discourse, also promoted by many national governments, will be used when implementing all promotional activities and during the recruitment process, in order to strengthen its impact.

Work package 3 - Relationships building between entrepreneurs, is directly linked with number 2: it should harvest the results of the promotional activities and recruitment. CCI-entrepreneurs share the same challenges when it comes to development, as any other new or existing entrepreneur. In this phase, new entrepreneur needs to submit their business plan, which, according to experience from last EYE program, is one of the bottlenecks in the approval process. This is the part where partner's experience in related projects comes into place and they will provide support, feedback and expert facilitation while creating business plans.

Relationships building process will be strongly supported by the project partners who will proactively help and encourage or recommend partner matches based on the official Matchmaking tool and

EXCITE On-line Platform, which was created at the previous EYE program, with more subtle match-making attributes. For this purpose, WP3 will use:

- The official EYE IT Tool platform, with its design stimulating entrepreneurs to look for counterparts themselves and helping them with auto-suggest features;
- Experienced expert's support offered by 8 partners locally and internationally, including registration process and business plan development,
- The EXCITE On-line Platform as a tool to bring CCI entrepreneurs together and support them with advice, inspiration and motivation;
- Face-to-face meetings with most committed NEs and HEs; to make sure the whole process is clear to them and to ensure smooth orientation in IT Tool

All 'gaps' between the promotion and the process of forming of collaborations, should be eliminated.

Work package 4 - Relationships management is the next step, handling the actual collaboration process between entrepreneurs after match. This will be done principally through face to face meetings between IOs, HEs and NEs. All-partner's experience in many residency programs, business interventions and in previous EYE program, show the necessity of meetings in person when starting collaboration between entrepreneurs.

The meetings between the NE and HE will be supported by expert facilitation and business advice to overcome important gaps between the two entrepreneurs' mind sets. Partners' previous results show, it is very important to proactively work with both NEs and HEs throughout the whole cooperation process between them.



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Big emphasis will be also put on the pre-stay period of matched NEs, supporting them by giving useful information package about the country of stay, helping find accommodation, etc.

Procedures for evaluation

The quality control and internal evaluation of the project will be ensured by the Steering Group , which will be in charge of the strategic monitoring of the project, and the Project Co-ordinator who will organise and coordinate evaluation with the participants.

The Project Co-ordinator will:

The input for quality control and internal evaluation will be provided by the Project Co-ordinator, who coordinates the different work package leaders and will provide the necessary input to the Steering committee. To be able to obtain relevant data for this input (on process, finances and technical proceedings of the project), a project monitor is applied, using several indicators assessing all the expected results of the separate work packages.

The Steering Group will include representatives from all project partners and will:

Monitor the project: Is the project progressing in line with the initial time plan? Is the budget plan being implemented and are allocations per budget category being observed? How do the project's achievements relate to the encountered expenditure (cost/benefits)? Are management and coordination procedures efficient and are the resources used in this process sufficient? Are commercial results being recorded (new products and processes taken up, new markets accessed, etc)? Monitoring will ensure that the commercial results of the NEs and HEs matching will be given due weight in the evaluation reports produced by the project.

Provision of guidance regarding its implementation: reviewing and approving of work plans and reports; agreeing on possible changes to the project.

The Steering Group has ultimate responsibility for quality control.

2.1.5. Performance Indicators / Expected impact

B.1.5 Performance indicators/Expected impact (max. 2 pages)

Title	Brief Description	Target (quantity)
1. Successful relationships (end project):	a. percentage of relationships lasting the scheduled length (i.e. not terminated by one of the parties)	96%
	b. rate of successful exchanges (satisfaction level based on HE and NE feedback)	144 successful exchanges
2. Evolution of status of NEs supported by the EYE after relationships are completed i.e.:	a. number of new businesses set up by NEs	10
or, in case of NEs with previously established businesses:		
	b. number of businesses that expanded (turnover/job increase/creation)	20
	c. number of entrepreneurs that gained access to new markets.	100
	d. number of entrepreneurs continuing in cooperation after	10

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	<i>the exchange</i>	
3. <i>Networking by building on knowledge and experience from other European countries</i>	<i>Number of new entrepreneurs participating in Creative Trade Mission - bringing success stories, sharing experience, networking and building knowledge</i>	25
4. <i>Number of registered entrepreneurs</i>	<i>Numbers of New and Host Entrepreneurs registered in IT Tool</i>	210
5. <i>Attendance on network and matchmaking meetings</i>	<i>Attendacne of partners on network and matchmaking meetings</i>	6 (meetings)

2.1.6. Multiplier effects

B.1.7 Multiplier effects (max. 1 page)

Summed up, at least the following activities/tools will keep running, after the successful matching, guaranteeing the replication and extension of the project outcomes:

Most of the activities that create the core of the EXCITE project has been the core activities of involved project partners since their existence. Partners will continue providing entrepreneurship support for CCIs as their usual support actions (trainings, pitching events, networking, mobilities etc.) depending only on budgets and projects other than EYE for these actions available, inviting matched NEs and HEs as well.

Further mentoring and other forms of advisory support (accounting, legal, feedbacking business ideas and plans etc.): All partners run business advice, support and mentoring programs, which will continue post EYE and be available to NEs into the foreseeable future.

Inviting NEs to networking events organized by project partners: Project partners organize various networking events, which will bring opportunities for NEs to get to know new people working in CCIs in order to exchange the experience, ideas, projects, or start new (cross-sectoral) cooperation

Provision of hot desks where NEs can work on a temporary basis: Partner networks are connected to incubators and co-working spaces across Europe. Hot desk space will be available to NEs during and post project so the partners either directly manage or can easily find and arrange hot desk accommodation for visiting NEs after the project has ended.

Assistance on Cross border co-operation between HEs and NEs after exchange: As the partners are committed to international partnerships, they will seek to be involved in European cross border collaborations for both existing HE and NEs as well as the new.

Possibility to participate in other projects: All project partners run different though relevant projects aimed for the same target group. Participation in another partner's project after EYE program will ensure better connection between partner organization and NE and will strengthen NE's competence, knowledge, skills, network, etc.

Introductions to possible sources of finance: All partners provide business support on a permanent basis, which always includes access to finance. Some partners run specific access to finance programs, such as Creative Region Linz with its "Show me the money" program while others keep databases of other opportunities, such as ECBN who are closely engaged with the funding programs of the European Business and Innovation Centre (through their members). Advice on funding and management of funding schemes will continue post EYE project.

Monitoring progress of NEs after the EYE program: Project partners should stay in touch with NEs even in after-stay phase and monitor progress in their entrepreneurial activities. This will help NE promote his/her own business. In the Cycle 7 we promoted successful stays of some NEs by publishing about their business progress, posting pictures, making interviews.

The Facebook group: During previous EYE program, a Facebook page has been established both for the promotion purposes but also for connecting NEs and HEs within consortium. It's a space,



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where they can ask their peers for an advice, share their successes and fails with their entrepreneurial activities.

ELPs: the 'unofficial' IOs will stay in place, offering the help to CCI-entrepreneurs, connecting them to network of other CCI-entrepreneurs, providing information on more development and support tools available to them, including the outputs created in the EXCITE On-line Platform.

Creative Trade Missions: at least 1 Creative Trade Mission will be organized as a core activity of the consortium. This will be a final event of the project, which will connect selected NEs and HEs and they will meet with invited speakers, project partners, experienced local and international entrepreneurs. They all will have an opportunity to present themselves, to share know-how, to solve problems, to discuss relevant topics with successful entrepreneurs, to network and to gain inspiration for their starting businesses.

EXCITE On-line Platform with HelpDesk: Platform available for questions on international collaboration between CCIs will continue in an altered way. It will be centrally managed by the Creative Industry Košice providing further user-driven content, best-practices and function as a digital portal giving an overview of existing supportive organisations per country (including ELPs), making it easy for CCI-entrepreneurs to contact the right institution.

Best Practice Report. At the end of the project, a best practice report will be produced which will highlight what worked well in Excite 2.0 and what practices could usefully be reproduced by successor projects.

Legacy Activity: It is proposed that NEs, suitably prepared through EXCITE, will be invited to attend a Creative Trade Mission at the end of 2019 to seek investment. If successful, these kinds of best practices will be the best possible multiplier impacts of the program.

2.2. Management structure and procedures

2.2.1. Organisational structure

B.2.1 Organisational structure

Within EXCITE 2.0 project, there is the consortium of eight experienced partners from all around Europe. It is based on the partners, who were successfully cooperating within EYE program during previous years and enriched by 2 new partners from Balkan countries in order to broaden the impact of the project. All partners share the same focus within their activities - the support and growth of creative and cultural industries (CCI), a broad and diverse sector, which ranges from advertising and crafts to performing arts and video games. Partners are involved in **already existing international networks** of creative and cultural entrepreneurs and CCIs and have a lot of experience from **international projects and on the framework for exchange**. The goals of EXCITE 2.0 flows from the core activities of the partnership members in the field of entrepreneurship support.

Organisational structure of the project:

The Steering Group (All partners)

WP1: a) Project coordination, administration and financial management (Creative Industry Kosice)

b) Local project management (All partners)

c) Project and financial advisory (ECBN)

WP2 (All partners respectively)

WP3 (All partners respectively, led by Ale kommun)

WP4 (All partners respectively)

The Steering Group will consist of representatives from each partner's organisation. They will meet regularly at least twice a year and its responsibilities include: Strategic monitoring of the project; Provision of guidance regarding project implementation; Project quality control; Control financial implementation of project; Corrective measures if required in case of externalities.

Creative Industry Kosice will lead the consortium.

Project Co-ordinator from Creative Industry Kosice will take the lead, especially overall coordination of the work packages and WP1 which is concerned with the overall management of the project.

His/her responsibilities include:



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- Overall project coordination: Monitoring and steering of project implementation, reporting to Steering Group; formulating responsibilities and developing effective flows of communication, coordination of work between the partners, process and work package support;

- Review of total project progress: Organisation of meetings to discuss project progress every 6 months with the WP leaders. Monthly review of project progress with WP leaders.

- Reporting to the EC/SO: technical and financial results according to specified guidelines.

To support the overall project logistics and management of finance and distribution of funds for new entrepreneurs, ECBN will coordinate the WP1 together with advising on financial processes and claims, using its considerable experience in leading large (inter)national projects, managing its finances and managing the distribution of funds for cultural entrepreneurs.

The Financial Manager from Creative Industry Kosice has the responsibility to handle the partners' cost reports and administrative formats, and provides feedback to the partners. The responsibilities include: Setting up reports to the EC/SO, Coordinating (financial/administrative) documentation from partners, Financial management (overall project and coordination grants for NEs), Reporting on financial performance to the Steering Group, Monitoring of budget and timely report of budget change requests to EC/SO if needed.

The WPs 2-4 will be undertaken by each partner respectively to meet all criteria of outcomes set in the Quality Manual. In case of WP3 and vast experience of Pia Areblad, will take the lead, guiding the Implementation manual quality criteria and giving major advice to partners on dos and don'ts in the matchmaking process. The lead in WP4 will be driven by Creative Industry Kosice as well, thanks to its experience in residency programs.

All other participants, carrying out the WP's are responsible for the completion of the tasks assigned to them and to report to the WP Leader and the Project Co-ordinator on the progress of each activity. Their management responsibilities include: Periodic update on project activities to WP Leader; Collection and justification of own costs/ financial administration when requested.

The following key staff members (all internal staff) will take part in the project:

Michal Hladky (Director of Creative Industry Kosice, n.o.) is the main driver of Creative and Cultural industries in Košice region and author of Creative Economy Masterplan and Cultural Strategy for the City of Košice. He will be the overall manager and overall coordinator of the project activities with partners and important member of the Steering Group.

Adrian Sneeuw (Managing Director ECBN) has long experience of working with Creative Industries in a wide variety of positions. He has been a producer for various forms of performing arts, founded two creative hubs in the Netherlands and has ample experience working with creative SME's across Europe in his position at ECBN. His understanding of the creative sector, the cross-innovation and spillover potential of the CCI and the creative entrepreneur together with his working experience in EXCITE place him in an excellent position to contribute to the ambitions of the EXCITE project.

Pia Areblad (Enterprise Manager Ale Municipality, Founder of TILLT) has vast experience working with this type of projects. Since 2001 her focus has been on developing collaborations between business and the creative sector for sustainable development at regional, national and international. level. Pia Areblad is important Steering Group member and project manager for the Ale Municipality.

Relja Bobić (Kulturni Kod) is an independent curator, author, arts and events manager, project manager and developer, art director, consultant, music promoter and journalist. Since 2011, he is working on the development of the project of Kulturni Kod, and is mostly focused on the international collaboration projects, education programs and capacity-building of the design and entrepreneurial communities. He regularly works on matchmaking programs, professional support and design management activities that aim to connect companies on one side, with entrepreneurs and diverse creatives on the other. He also has experience in project-managing EU projects, specifically from the Creative Europe and European 2007-13 program.

Christiana van Osenbrüggen (City of Gelsenkirchen) is an experienced manager and advisor in the Cultural and Creative Industries in the Ruhr Region with a strong focus on European projects. She holds the current position as project and residency manager for the artists' settlement Halfmannshof as well as the Erasmus+ project ICCI (Internationalization Creative Cultural Industries) and hold the position as the project manager within the EXCITE 1 project (Erasmus for Young Entrepreneurs) on behalf of the Department of Culture, City of Gelsenkirchen. This entails development of new mobility formats and prototyping new training and supporting formats for creative entrepreneurs as well as research in the CCI sector. She developed three large-scale

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residence projects with the Fine Art and Design departments in collaboration with well-known Gerrit Rietveld Academy Amsterdam in 2014, 2015 and 2016.

Dr. phil. Volker Bandelow (City of Gelsenkirchen) (Head of the Department of Culture, Gelsenkirchen & Member of the Board of Trustees at European Centre for Creative Economy). He has been the Head of the Cultural Department of the City of Gelsenkirchen since 1992, a position in charge of six different cultural entities such as museums, the municipal theatre, several entities offering cultural education as well as public libraries. Additionally, he deals with urban development if it borders on cultural development, funding and promotion of cultural activities, exchange programs such as the North East England-Ruhr Cooperation, networking with other cities and municipal activities in cultural affairs. Dr. Bandelow served double duty as the local Head of the European Capital of Culture Office from 2007 until 2011.

Gisa Schosswohl (Creative Region Linz) experienced manager of international and EU-Projects, experiences in running EYE project, formerly worked as manager of the Junior Chamber International, a network of 14.000 young entrepreneurs and start-ups in Upper Austria, organized seminars, mentoring programs and all kind of supporting activities for young entrepreneurs. Gisa will be responsible for the promotion of the program, project management, matchmaking and networking.

Georg Tremetzberger (Creative Region Linz) is responsible for financial management and controlling within Creative Region. He studied business and economics and has a background as researcher. He is also responsible for the organisation and implementation of training programs for start ups and creative professionals and has a network with start ups, incubators, coworking spaces and chamber of commerce.

Luka Piškorič (Poligon) Managing director of Poligon Institute and Poligon Creative Centre, creative industries specialist with over 20 years of experience. Luka has collaborated on projects from all the fields of creative industries and culture, and has an extensive network of partners in the industry. He works as researcher and consultant and has recently collaborated with USAID on development of roadmap for development of creative services industry in Moldova and business model for Moldova's first creative hub.

Roberto Gomez de la Iglesia (C2MASI S.L./Conexiones Improbables) is the General Manager of Conexiones Improbables and he works as manager and consultant about cultural policy, cultural management, comprehensive communication and open innovation. Roberto is also teacher in Marketing, Communication and Cultural Innovation in the Universidad Complutense of Madrid.

Nora de Busturia (C2MASI S.L./Conexiones Improbables) is an expert in the development and support of creative industries and creative entrepreneurs. She is the manager of Bilbao Bizkaia Design Council, an organization that gather all the creative professionals in Bilbao and Bizkaia. Nora is the responsible of the Design Week in Bilbao where she works with many creative professionals both national and international. She has worked as project manager during years in the first and main private association focused on the creative industries in the Basque Country.

2.2.2 Technical/Operational capacity: staff involved in the project

B.2.2 Operational/Technical Capacity: staff involved in the project				
Partner No and Acronym	Position of staff member in the organisation ¹²	Summary of relevant skills and experience ¹³	List of tasks and role in the project	Allocation to the project (% of FTE ¹⁴)

¹² E.g. Director, Programme Coordinator, Programme Manager, Project Assistant, Secretary etc. (further roles could be added)

¹³ Please list relevant experience only.



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1 CIKE	Director (Michal Hladký)	Management and coordination of various project: EXCITE, Creative lenses, Escalator, Interface.	Project coordinator - General project coordination, partnership management and communication, partners meeting and events coordination, reporting, communication with EC, monitoring of implementation and goals achievement	0,10
1 CIKE	Senior project manager (Ivana Filková)	Coordinator and financial manager of project Excite, Financial management of Creative lenses, Coordination of research and development project.	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	0,13
1 CIKE	Project Manager (Alexandra Juríková)	Management of Escalator project and residency projects from 2013, Financial reporting within Ministry of Culture projects, Administration, Contracting, Working with accountants, Communicationn with partners and stakeholders.	Project manager - Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Communication with partners	0,12
1 CIKE	Marketing Assistant (Barbara Rusnáková)	Communication and branding for Creative Industry Košice, The Invisible Hotel, campaigns for national and	Assistant manager - Promotion of EYE; Facilitation of	0,17

¹⁴ = Full Time Equivalent. All consortium members are requested to foresee a reasonable engagement in terms of FTE % for the project implementation. Ideally, project coordinators should not dedicate less than 0.5 FTE to the project.



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		international projects.	open calls; Writing of supporting materials; social networks; internal communication; supporting activities for NEs and HEs	
2 ECBN	Managing Director (Bernd Fesel)	Researcher and senior advisor in the Cultural and Creative Economy in Europe, senior advisor at european centre for creative economy (ecce), board member of ENCATC - network on Cultural Management and Cultural Policy education.	Project manager - Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Commu nication with partners	0,06
2 ECBN	Communication Manager (Earl Singh)	EXCITE; Communication manager at various leading CCI SME's.	Assistant manager - Promotion of EYE; Facilitation of open calls; Writing of supporting materials; social networks; internal communication; supporting activities for NEs and HEs	0,08
3 ALE Kommun	Project manager (Pia Areblad)	Coordinator of cultural project, Founder and director of the organisation TILLT, Project manager of Creative Clash - European network for artistic interventions in organisations, Project manager, Partnership for Innovation in West Sweden	Project manager - Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Commu	0,07



Project acronym:

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			nication with partners	
3 ALE Kommun	Coordinator to enterprise manager (Marie Bergvall)	Enterprise manager in Ale kommun, Municipal Executive Board, CEO&Partner Netprint solution (IT company with focus on security), Founder MB Konsult	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	0,10
4 Kulturni Kod	Project Manager (Relja Bobic)	Extensive experience in project development and management, including all of the listed relevant projects and programs by Kulturni kod/Nova Iskra, as well as its EU projects	Project manager - Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Communication with partners	0,18
4 Kulturni Kod	Financial Administrator (Nana Radenković)	Financial administration of European projects and day to day financial operations of Kulturni kod/Nova Iskra, and other organizations previously	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	0,10
4 Kulturni Kod	Communications Manager (Minja Bogetić)	Full management of all communication for the organization Kulturni kod/Nova Iskra and its local and international projects	Assistant manager - Promotion of EYE; Facilitation of open calls; Writing of supporting materials; social networks; internal communication; supporting	0,08



Project acronym:

Project Number:

			activities for NEs and HEs	
5 Gelsenkirchen	Project Manager (Christiana van Osenbrüggen)	Project Manager and Advisor for the "Kreativ.Quartier Ückendorf, Gelsenkirchen"/ the "Künstlersiedlung Halfmannshof", European project manager - CCINternationalisation on behalf of the Department of Culture, City of Gelsenkirchen, EXCITE 1.0 (Entrepreneurs eXchange for Innovations in Europe) Networking project developing and management experience in the CCI sector	Project manager - Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Commu nication with partners	0,14
5 Gelsenkirchen	Head of the Department (Dr. Volker Bandelow)	Head of the Department of Culture, City of Gelsenkirchen; former Head of the European Culture Capital Office Gelsenkirchen	Senior Expert - general project supervision, advising on the strategy and plan fulfilment, approaching relevant HEs and NEs through internal networks, promotion of EYE	0,018
5 Gelsenkirchen	Head of administration (Klaus Meyer)	Head of administration, Department of culture; coordination and management of administrative affairs of the department, esp. in relation to Budgetary and human resource affairs. Administrative supervision of the municipal music school and the cultural space "die flora". Administrative IT coordinator. Deputy Head of the Department of Culture	Financial manager - Payments, Financials, reporting, Administration, Contracting, Working with accountants, Communication with partners	0,025
6 CREARE	Project Manager	Project management skills; Experiences in	Project manager -	0,12



Project acronym:

Project Number:

	(Gisa Schosswohl)	running a Young Entrepreneurs Network; Matchmaking Experiences through running a mentoring program for Young entrepreneurs; Dissemination and Networking experience	Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Communication with partners	
6 CREARE	Financial Manager (Georg Tremetzberger)	Experiences as financial manager of Creative Region and several EU Projects; Program Manager for CCI Trainings; Huge Network of Start Up and Creative Professionals	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	0,06
7 Poligon	Managing director (Luka Piškorič)	Experienced creative industries specialist and industry insider	Project manager - Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Communication with partners	0,14
7 Poligon	Research director and communications manager (Eva Matjaž)	Experienced creative industries specialist and industry insider	Assistant manager - Promotion of EYE; Facilitation of open calls; Writing of supporting materials; social networks; internal communication; supporting	0,10



Project acronym:

Project Number:

			activities for NEs and HEs	
7 Poligon	Operations manager (Marko Orel)	Management of internship programs at Poligon Creative Centre	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication with partners	0,08
8 C2MASI (Conexiones Improbables)	Roberto Gómez de la Iglesia (General Manager and Consultant)	Managing the company and consulting about cultural policy, cultural management, comprehensive communication and open innovation; Managing the business corporation (five companies), Director of "Divergentes" and "Disonancias"(2004-2009)	Senior Expert - general project supervision, advising on the strategy and plan fulfilment, approaching relevant HEs and NEs through internal networks, promotion of EYE	0,07
8 C2MASI (Conexiones Improbables)	Project manager (Nora Busturia)	Project manager EYE 2015 - 2017; Manager of Bilbao Bizkaia Design Council; Manager of Bilbao Bizkaia Design Week ; CEO at Peopleing studio - agency that provides creative services	Project manager - Recruitment process Communication with HEs and NEs, Matchmaking, Project Management, Networking and Community Building, Relationships building, Communication with partners	0,07
8 C2MASI (Conexiones Improbables)	Strategic development and general coordination (Carlos Muñoz Sánchez)	Anarchitect. He was trained between the Technical School of Architecture in Seville and the School of Architecture and Urbanism at Fluminense Federal University (Brazil) and twisted between LaFábrika detodalavida in	Financial manager - Payments, Financial reporting, Administration, Contracting, Working with accountants, Communication	0,07



Project acronym:

Project Number:

		<i>Extremadura, the nomadic studio of cAnicca, the international network of Arquitecturas Colectivas, Wikitoki (Basque Country) and the extinct Brazilian collective of Enxame. He began collaborating as coordinator of Conexiones improbables in 2017.</i>	<i>with partners</i>	
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2.2.3 Effectiveness ratio

B.2.4 Effectiveness ratio

Work Packages/Efforts	Total efforts (person-days) (1)	Total no of relationships (2)	Ratio = (1) / (2)
All WPs	898	72	12,47
WP3+WP4	573	72	7,96

2.3. Work Plan

2.3.1. Work Package 1

2.3.1.1. Performance Indicators

WP.1.5 Performance Indicators

List the indicators used to measure the implementation of this work package by making the link with section B.1.5

Title	Brief Description	Target (quantity)
<i>Attendance on network and matchmaking meetings</i>	<i>Attendace of partners on network and matchmaking meetings</i>	<i>6 (meetings)</i>

2.3.2. Work Package 2

2.3.2.1. Performance Indicators

WP.2.5 Performance Indicators

Title	Brief Description	Target (quantity)
<i>Number of registered entrepreneurs</i>	<i>Nombers of New and Host Entrepreneurs registered in IT Tool</i>	<i>210</i>



Project acronym:

Project Number:

*2.3.2.2. Subcontracting***2.3.3. Work Package 3***2.3.3.1. Performance Indicators*

WP.3.5 Performance Indicators		
Title	Brief Description	Target (quantity)
<i>Networking by building on knowledge and experience from other European countries</i>	<i>Number of new entrepreneurs participating in Creative Trade Mission - bringing success stories, sharing experience, networking and building knowledge</i>	25
<i>Successful relationships (end project):</i>	<i>b. rate of successful exchanges (satisfaction level based on HE and NE feedback)</i>	144 successful exchanges

2.3.4. Work Package 4*2.3.4.1. Performance Indicators*

WP.4.5 Performance Indicators		
Title	Brief Description	Target (quantity)
<i>Successful relationships (end project):</i>	<i>percentage of relationships lasting the scheduled length (i.e. not terminated by one of the parties)</i>	96%
<i>Evolution of status of NEs supported by the EYE after relationships are completed i.e.:</i>	<i>a. number of new businesses set up by NEs</i>	10
<i>or, in case of NEs with previously established businesses:</i>		
	<i>b. number of businesses that expanded (turnover/job increase/creation)</i>	20
	<i>c. number of entrepreneurs that gained access to new markets.</i>	100
	<i>d. number of entrepreneurs continuing in cooperation after the exchange</i>	10

ESTIMATED BUDGET FOR THE ACTION

	Estimated eligible ¹ costs (per budget category)								EU contribution			Action's estimated receipts			Additional information
	A. Direct personnel costs			B. Direct costs of subcontracting	C.Costs of financial support to third parties	D. Other direct costs	E. Indirect costs ²	Total costs	Reimbursement rate % ³	Maximum EU contribution ⁴	Maximum grant amount ⁵	Income generated by the action	Financial contributions given by third parties to the beneficiaries	Action's total receipts	Estimated costs of beneficiaries/affiliated entities not receiving EU funding
	A.1 Employees (or equivalent) A.2 Natural persons under direct contract and seconded persons	A.3 SME owners without salary A.4 Beneficiaries that are natural persons without salary			[C.1 Financial support]	D.1 Travel D.2 Equipment D.3 Other goods and services									
Form of costs ⁶	Actual	Unit ⁷		Actual	Unit ⁸	Actual	Flat-rate ⁹								
	a1	No hours	Total a2	b	c	d	e = 0,07 * (a1 + a2+ b + d)	f = a1 + a2 + b + c + d + e	g	h = 100%*c AND 75%*(a1 +a2 +b+d+e).	i	l	k	l= j +k	m
1. CIKE	30,010.00	0.00	0.00	0.00	30,210.00	7,100.00	2,597.70	69,917.70	75.00 and 100%	59,990.78	59,990.00	0.00	0.00	0.00	n/a
2. ECBN	30,225.00	0.00	0.00	0.00	11,670.00	16,500.00	3,270.75	61,665.75	75.00 and 100%	49,166.81	49,166.00	0.00	0.00	0.00	n/a
3. Ale kommun	33,000.00	0.00	0.00	0.00	21,690.00	6,900.00	2,793.00	64,383.00	75.00 and 100%	53,709.75	53,709.00	0.00	0.00	0.00	n/a
4. Kulturni Kod	27,720.00	0.00	0.00	0.00	22,650.00	6,900.00	2,423.40	59,693.40	75.00 and 100%	50,432.55	50,432.00	0.00	0.00	0.00	n/a
5. Gelsenkirchen	32,942.00	0.00	0.00	0.00	16,650.00	6,900.00	2,788.94	59,280.94	75.00 and 100%	48,623.21	48,623.00	0.00	0.00	0.00	n/a
6. CREARE	35,000.00	0.00	0.00	0.00	26,280.00	6,900.00	2,933.00	71,113.00	75.00 and 100%	59,904.75	59,904.00	0.00	0.00	0.00	n/a
7. Zavod Poligon	30,000.00	0.00	0.00	0.00	22,170.00	6,900.00	2,583.00	61,653.00	75.00 and 100%	51,782.25	51,782.00	0.00	0.00	0.00	n/a
8. C2MASI S.L.	32,200.00	0.00	0.00	0.00	22,410.00	6,900.00	2,737.00	64,247.00	75.00 and 100%	53,787.75	53,787.00	0.00	0.00	0.00	n/a
Total consortium	251,097.00			0.00	173,730.00	65,000.00	22,126.79	511,953.79	n/a	427,397.85	427,393.00	0.00	0.00	0.00	0.00

(1) See Article 6 for the eligibility conditions

(2) Indirect costs already covered by an operating grant (received under any EU or Euratom funding programme) are ineligible (see Article 6.4(b)). Therefore, a beneficiary/affiliated entity/linked third party that receives an operating grant during the action duration cannot declare indirect costs for the year(s)/reporting period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action (see Article 6.2.E). This requires specific accounting tools. Please immediately contact us via the Participant Portal for details.

(3) See Article 5.2 for the reimbursement rates. There are two different reimbursement rates (one for financial support and another one for all other budget categories).

(4) This is the theoretical amount of the EU contribution, if the reimbursement rate is applied to all budgeted costs . This the theoretical amount is capped by the 'maximum grant amount'.

(5) The 'maximum grant amount' is the maximum grant amount decided by the Agency. It normally corresponds to the requested grant, but may be lower.

(6) See Article 5 for the forms of costs

(7) See Annex 2a 'Additional information on the estimated budget' for the details (costs per hour (hourly rate)).

(8) See Annex 2a 'Additional information on the estimated budget' for the details (units, costs per unit, estimated number of units, etc). Beneficiaries/affiliated entities/linked third parties may NOT declare more than 6 months per new entrepreneur and EUR 6,600 per new entrepreneur.

(9) See Article 6.2.E for the flat rate

(10) See Article 8a for beneficiaries not receiving funding.

(11) Only for affiliated entities/linked third parties receiving funding.

ANNEX 2a

ADDITIONAL INFORMATION ON THE ESTIMATED BUDGET

COSME

Erasmus for Young Entrepreneurs

Amount(s) per unit(s):

- Unit cost for SME owners/natural beneficiaries without salary

- Costs of providing financial support to third parties (new entrepreneurs)

1. Unit cost for SME owners/natural beneficiaries without salary (Costs for SME owners or beneficiaries that are natural persons not receiving a salary)

Units: hours worked on the action

Amount per unit ('hourly rate'): calculated according to the following formula:

{EUR 4,650 / 143 hours}
multiplied by
{country-specific correction coefficient of the country where the beneficiary is established}

Country-specific correction coefficient (in force at the time of the call):

EU Member States

country	coefficient	country	coefficient	country	coefficient	country	coefficient	country	coefficient
AT	104.8%	DK	135.3%	HR	97.5%	LV	75.9%	SE	111.7%
BE	100.0%	EE	78.3%	HU	76.2%	MT	89.6%	SI	86.1%
BG	71.5%	EL	92.7%	IE	113.5%	NL	104.3%	SK	82.6%
CY	91.8%	ES	97.6%	IT	106.7%	PL	76.4%	UK	120.3%
CZ	83.8%	FI	116.6%	LT	73.1%	PT	89.1%		
DE	98.8%	FR	111.0%	LU	100.0%	RO	68.3%		

COSME associated countries (= COSME participating countries)¹ and other countries

country	coefficient	country	coefficient	country	coefficient	country	coefficient	country	coefficient
AL	76.1%	FO	134.1%	LI	110.0%	MK	68.4%	TR	86.6%
BA	73.6%	IL	108.7%	MD	61.1%	NO	131.9%		
CH	113.1%	IS	116.6%	ME	66.9%	RS	67.1%		
AM	89.9%	CU	83.8%	JP	115.9%	NI	57.3%	TJ	64.9%
AO	114.6%	CV	76.4%	KE	78.1%	NP	73.5%	TL	78.3%
AR	58.5%	DJ	93.4%	KG	83.1%	NZ	94.1%	TN	70.5%
AU	105.0%	DO	66.9%	KH	70.5%	PA	57.0%	TO	85.0%
AZ	93.0%	DZ	81.7%	KR	105.2%	PE	75.5%	TT	74.1%
BB	116.6%	EC	68.8%	KZ	100.2%	PG	83.0%	TW	83.6%
BD	47.2%	EG	48.6%	LA	77.7%	PH	65.8%	TZ	65.2%

¹ The actual list of third countries participating in COSME can be found on DG GROW webpage:
<http://ec.europa.eu/DocsRoom/documents/21365/attachments/1/translations/en/renditions/native>.

BF	93.8%	ER	61.2%	LB	86.4%	PK	49.4%	UA	92.3%
BJ	92.6%	ET	85.2%	LK	61.6%	PS	100.4%	UG	65.7%
BM	151.5%	FJ	68.1%	LR	100.1%	PY	71.9%	US	99.4%
BO	51.3%	GA	113.1%	LS	56.7%	RU	115.5%	UY	75.3%
BR	92.0%	GE	89.5%	LY	60.0%	RW	87.3%	UZ	51.4%
BW	55.3%	GH	68.2%	MA	83.5%	SA	84.8%	VE	70.0%
BY	65.0%	GM	67.7%	MG	80.0%	SB	93.3%	VN	51.1%
BZ	75.3%	GN	60.4%	ML	90.4%	SD	65.1%	VU	112.6%
CA	86.4%	GT	78.8%	MR	64.5%	SG	102.5%	WS	75.8%
CD	127.6%	GW	102.7%	MU	72.7%	SL	85.2%	XK	58.6%
CF	114.3%	GY	58.9%	MW	76.0%	SN	86.2%	YE	68.1%
CG	124.9%	HK	93.8%	MX	70.4%	SR	50.6%	ZA	55.8%
CI	102.0%	HN	69.0%	MY	71.6%	SV	74.3%	ZM	66.4%
CL	67.1%	HT	108.7%	MZ	71.6%	SY	74.8%	ZW	47.2%
CM	103.3%	ID	75.3%	NA	68.3%	SZ	56.8%		
CN	85.0%	IN	52.8%	NC	128.9%	TD	125.3%		
CO	76.6%	JM	94.9%	NE	87.9%	TG	88.7%		
CR	76.7%	JO	75.5%	NG	92.4%	TH	65.0%		

[additional OPTION for beneficiaries that have opted to use the unit cost (in the proposal/with an amendment): For the following beneficiaries/linked third parties, the amounts per unit (hourly rate) are fixed as follows:

- beneficiary [short name]: EUR [insert amount]
- beneficiary [short name]: EUR [insert amount]

2. Costs of providing financial support to third parties (new entrepreneurs) (see Annex 1 of the "Quality Manual"² in force at the time of the call for proposals).

Units: months spent by the new entrepreneurs in the host countries ('person-months')

Amount(s) per unit: see (for each beneficiary/affiliated entity) the 'unit cost table' below

Table 1 – Amounts of monthly allowances:

Monthly financial assistance paid by Intermediary Organisations to third parties (New Entrepreneurs)	
Country of stay/Host country	Amount per month / €
Albania	530
Armenia	610
Austria	900
Belgium	830
Bosnia-Herzegovina	560
Bulgaria	560
Croatia	720
Cyprus	780
Czech Republic	610

² Erasmus for Young Entrepreneurs Implementation Manual for Intermediary Organisations (version 9, 6, February 2017), published together with the call for proposals COS-EYE-2017-4-01.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244(1999) and the ICJ Opinion on the Kosovo declaration of independence.

Denmark	1100
Germany	830
Estonia	670
Finland	950
Former Yugoslav Republic of Macedonia	560
France	900
Greece	780
Hungary	670
Iceland	900
Ireland	1000
Italy	900
Kosovo* ³	560
Latvia	610
Lithuania	560
Luxembourg	830
Malta	720
Moldova	530
Montenegro	560
Netherlands	830
Poland	610
Portugal	780
Romania	560
Serbia	560
Slovakia	610
Slovenia	720
Spain	830
Sweden	950
Turkey	750
Ukraine	530
United Kingdom	1000
Entrepreneurs from/to: Outermost Regions of the EU (referred to in Article 349 TFEU) ⁴ and Overseas Countries and Territories (referred to in Article 198	1100
Entrepreneurs with disabilities (regardless of the country of stay)	1100

Within the limits of: - maximum 6 months per new entrepreneur and
- maximum EUR 6,600 per new entrepreneur.

Estimated number of units: see (for each beneficiary/affiliated entity) the 'unit cost table' attached

³ The Framework Agreement allowing Kosovo to participate in EU Programmes entered into force on 1st August 2017. Once the Kosovo has ratified the international agreement to participate in COSME, Kosovo will become a participating country in the programme and entrepreneurs from Kosovo will be eligible to participate in COSME actions as well as those from other COSME countries will be able to cooperate with host entrepreneurs in Kosovo. The EASME should be consulted before engaging in an EYE relationship involving Kosovo. For updated information on the COSME countries, please visit https://ec.europa.eu/growth/smes/cosme_en - Point "Third countries' participation in COSME".

⁴ http://ec.europa.eu/regional_policy/en/policy/themes/outermost-regions/

⁵ http://ec.europa.eu/europeaid/regions/octs_en

Unit cost table 2 (Erasmus for Young entrepreneurs' unit cost)⁶ for the consortium:

Partners	Country of stay / Host country **	Monthly financial support (amount(s) per unit*) Estimated AVERAGE a	Estimated person-months (estimated number of units) b	Total in € c = a * b
Creative Industry Kosice, n.o. = Coordinator	COSME	775	39	30210
ECB Network	COSME	778	15	11670
Ale kommun	COSME	803	27	21690
Kulturni Kod	COSME	839	27	22650
Stadt Gelsenkirchen	COSME	793	21	16650
Creative Region Linz&Upper Austria	COSME	797	33	26280
Poligon	COSME	821	27	22170
C2MASI	COSME	830	27	22410
Total for consortium		805	216	173730

** Please encode in accordance with the proposal: name of each beneficiary (e.g. Partner 2 = NAME), for all partners "COSME country" and in the next column (a) put the average rate of financial support as specified in the budget of each partner presented in the proposal.

⁶ Data will be taken from the 'detailed budget template' (Technical Annex 2 of the submitted proposal).

ANNEX 3

ACCESSION FORM FOR BENEFICIARIES

STICHTING EUROPEAN CREATIVE BUSINESS NETWORK (ECBN), established in Maashaven Z.z. 2, Rotterdam 3081 AE, Netherlands, ('the beneficiary'), represented for the purpose of signing this Accession Form by the undersigned,

hereby agrees

to become beneficiary No ('2')

in Grant Agreement No 785001 ('the Grant Agreement')

between CREATIVE INDUSTRY KOSICE, NO and the Executive Agency for Small and Medium-sized Enterprises (EASME) ('the Agency'), under the powers delegated by the European Commission ('the Commission'),

for the action entitled EXCITE 2.0: Entrepreneurs eXchange for Innovations in Europe (EXCITE 2.0).

and mandates

***the coordinator** to submit and sign in its name and on its behalf any **amendments** to the Agreement, in accordance with Article 39.*

By signing this Accession Form, the beneficiary accepts the grant and agrees to implement it in accordance with the Agreement, with all the obligations and conditions it sets out.

SIGNATURE

For the beneficiary/new beneficiary/new coordinator

ANNEX 3

ACCESSION FORM FOR BENEFICIARIES

ALE KOMMUN (Ale kommun), established in REDOVISINGSSENHETEN, ALAFORS 449 80, Sweden, ('the beneficiary'), represented for the purpose of signing this Accession Form by the undersigned,

hereby agrees

to become beneficiary No ('3')

in Grant Agreement No 785001 ('the Grant Agreement')

between CREATIVE INDUSTRY KOSICE, NO **and** the Executive Agency for Small and Medium-sized Enterprises (EASME) ('the Agency'), under the powers delegated by the European Commission ('the Commission'),

for the action entitled EXCITE 2.0: Entrepreneurs eXchange for Innovations in Europe (EXCITE 2.0).

and mandates

the coordinator to submit and sign in its name and on its behalf any ***amendments*** to the Agreement, in accordance with Article 39.

By signing this Accession Form, the beneficiary accepts the grant and agrees to implement it in accordance with the Agreement, with all the obligations and conditions it sets out.

SIGNATURE

For the beneficiary/new beneficiary/new coordinator

ACCESSION FORM FOR BENEFICIARIES

KULTURNI KOD (Kulturni Kod), established in MIRIJEVSLI VENAC 4/37, BEOGRAD 11000, Serbia, VAT number: RS103896473, ('the beneficiary'), represented for the purpose of signing this Accession Form by the undersigned,

hereby agrees

to become beneficiary No ('4')

in Grant Agreement No 785001 ('the Grant Agreement')

between CREATIVE INDUSTRY KOSICE, NO **and** the Executive Agency for Small and Medium-sized Enterprises (EASME) ('the Agency'), under the powers delegated by the European Commission ('the Commission'),

for the action entitled EXCITE 2.0: Entrepreneurs eXchange for Innovations in Europe (EXCITE 2.0).

and mandates

the coordinator to submit and sign in its name and on its behalf any ***amendments*** to the Agreement, in accordance with Article 39.

By signing this Accession Form, the beneficiary accepts the grant and agrees to implement it in accordance with the Agreement, with all the obligations and conditions it sets out.

SIGNATURE

For the beneficiary/new beneficiary/new coordinator

ANNEX 3

ACCESSION FORM FOR BENEFICIARIES

Stadt Gelsenkirchen (Gelsenkirchen), established in Ebertstrasse 11, Gelsenkirchen 45875, Germany, ('the beneficiary'), represented for the purpose of signing this Accession Form by the undersigned,

hereby agrees

to become beneficiary No ('5')

in Grant Agreement No 785001 ('the Grant Agreement')

between CREATIVE INDUSTRY KOSICE, NO **and** the Executive Agency for Small and Medium-sized Enterprises (EASME) ('the Agency'), under the powers delegated by the European Commission ('the Commission'),

for the action entitled EXCITE 2.0: Entrepreneurs eXchange for Innovations in Europe (EXCITE 2.0).

and mandates

***the coordinator** to submit and sign in its name and on its behalf any **amendments** to the Agreement, in accordance with Article 39.*

By signing this Accession Form, the beneficiary accepts the grant and agrees to implement it in accordance with the Agreement, with all the obligations and conditions it sets out.

SIGNATURE

For the beneficiary/new beneficiary/new coordinator

ACCESSION FORM FOR BENEFICIARIES

CREATIVE.REGION LINZ & UPPER AUSTRIA GMBH (CREARE), established in LUDLGASSE 19, LINZ 4020, Austria, VAT number: ATU66270028, ('the beneficiary'), represented for the purpose of signing this Accession Form by the undersigned,

hereby agrees

to become beneficiary No ('6')

in Grant Agreement No 785001 ('the Grant Agreement')

between CREATIVE INDUSTRY KOSICE, NO and the Executive Agency for Small and Medium-sized Enterprises (EASME) ('the Agency'), under the powers delegated by the European Commission ('the Commission'),

for the action entitled EXCITE 2.0: Entrepreneurs eXchange for Innovations in Europe (EXCITE 2.0).

and mandates

the coordinator to submit and sign in its name and on its behalf any ***amendments*** to the Agreement, in accordance with Article 39.

By signing this Accession Form, the beneficiary accepts the grant and agrees to implement it in accordance with the Agreement, with all the obligations and conditions it sets out.

SIGNATURE

For the beneficiary/new beneficiary/new coordinator

ACCESSION FORM FOR BENEFICIARIES

POLIGON, ZAVOD ZA RAZVOJ KREATIVNIH INDUSTRIJ, SOCIALNO, PODJETJE (Zavod Poligon), established in TOBACNA ULICA 5, LJUBLJANA 1000, Slovenia, VAT number: SI36406562, ('the beneficiary'), represented for the purpose of signing this Accession Form by the undersigned,

hereby agrees

to become beneficiary No ('7')

in Grant Agreement No 785001 ('the Grant Agreement')

between CREATIVE INDUSTRY KOSICE, NO **and** the Executive Agency for Small and Medium-sized Enterprises (EASME) ('the Agency'), under the powers delegated by the European Commission ('the Commission'),

for the action entitled EXCITE 2.0: Entrepreneurs eXchange for Innovations in Europe (EXCITE 2.0).

and mandates

the coordinator to submit and sign in its name and on its behalf any amendments to the Agreement, in accordance with Article 39.

By signing this Accession Form, the beneficiary accepts the grant and agrees to implement it in accordance with the Agreement, with all the obligations and conditions it sets out.

SIGNATURE

For the beneficiary/new beneficiary/new coordinator

ACCESSION FORM FOR BENEFICIARIES

C2MASI S.L. (C2MASI S.L.), established in CASTRO URDIALES 8, VITORIA-GASTEIZ 01006, Spain, VAT number: ESB01462936, ('the beneficiary'), represented for the purpose of signing this Accession Form by the undersigned,

hereby agrees

to become beneficiary No ('8')

in Grant Agreement No 785001 ('the Grant Agreement')

between CREATIVE INDUSTRY KOSICE, NO **and** the Executive Agency for Small and Medium-sized Enterprises (EASME) ('the Agency'), under the powers delegated by the European Commission ('the Commission'),

for the action entitled EXCITE 2.0: Entrepreneurs eXchange for Innovations in Europe (EXCITE 2.0).

and mandates

the coordinator to submit and sign in its name and on its behalf any ***amendments*** to the Agreement, in accordance with Article 39.

By signing this Accession Form, the beneficiary accepts the grant and agrees to implement it in accordance with the Agreement, with all the obligations and conditions it sets out.

SIGNATURE

For the beneficiary/new beneficiary/new coordinator

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landscape

MODEL ANNEX 4 EASME MGA — MULTI (OPTION for COSME Erasmus Young Entrepreneurs)

FINANCIAL STATEMENT FOR [BENEFICIARY [name] / AFFILIATED ENTITY [name]/ LINKED THIRD PARTY] [name]] FOR REPORTING PERIOD [number]

	Eligible ¹ costs (per budget category)							Receipts			EU contribution			
	A. Direct personnel costs			B. Direct costs of subcontracting	C. Costs of financial support to third parties	D. Other direct costs	E. Indirect costs ²	Total costs	Income generated by the action	Financial contributions given by third parties to the beneficiaries	Total receipts	Reimbursement rate% ³	Maximum EU contribution ⁴	Requested EU contribution
	A.1 Employees (or equivalent)	A.3 SME owner without salary			C.1 Financial support	D.1 Travel								
	A.2 Natural persons under direct contract and seconded	A.4 Beneficiaries that are natural persons without salary				D.2 Equipment								
			D.3 Other goods and services											
Cost form ⁵	Actual	Unit		Actual	Unit	Actual	Flat-rate ⁶							
	a1	No hours	Total a2	b	c	d	e = 0,07 * (a1 + a2+ b + d)	a1 + a2+ b + c + d + e	g	h	i = g + h	j	k =100%*c AND 75%*(a1+a2+b+d+e)	l
[short name beneficiary/affiliated entity/linked third party]												75% and 100%		

The beneficiary/affiliated entity/linked third party hereby confirms that:

The information provided is complete, reliable and true.

The costs declared are eligible (see Article 6).

The costs can be substantiated by adequate records and supporting documentation that will be produced upon request or in the context of checks, reviews, audits and investigations (see Articles 12, 13 and 17).

For the last reporting period: that all the receipts have been declared (see Article 5.3.3).

① Please declare all eligible costs, even if they exceed the amounts indicated in the estimated budget (see Annex 2). Only amounts that were declared in your individual financial statements can be taken into account lateron, in order to replace other costs that are found to be ineligible.

¹ See Article 6 for the eligibility conditions. All amounts must be expressed in EUR (see Article 15.6 for the conversion rules).

² The indirect costs claimed must be free of any amounts covered by an operating grant (received under any EU or Euratom funding programme, see Article 6.4.(b)). If you have received an operating grant during this reporting period, you cannot claim indirect costs, unless you can demonstrate that the operating grant does not cover any costs of the action (see Article 6.2.E). This requires specific accounting tools. Please contact us immediately via the Participant Portal for details.

³ See Article 5.2 for the reimbursement rates. There are two different reimbursement rates (one for financial support to third parties and another one for all other budget categories).

⁴ This is the theoretical amount of EU contribution that the system calculates automatically (by multiplying the reimbursement rate by the total costs declared). The amount you request (in the column 'requested EU contribution') may (have to) be less.

⁵ See Article 5 for the cost forms.

⁶ See Article 6.2.E for the flat rate.

ANNEX 5

MODEL FOR THE CERTIFICATE ON THE FINANCIAL STATEMENT (CFS)

This document sets out:

- the objectives and scope of the independent report of factual findings on costs declared under a EU grant agreement financed under the COSME Programme and
- a model for the certificate on the financial statement (CFS).

1. Background and subject matter

[OPTION 1 for actions with one RP and NO interim payments: Within 60 days of the end of the reporting period, the coordinator must submit to the Agency a **final report**, which should include (among other documents and unless otherwise specified in Article 15 of the Grant Agreement) a **certified financial statement** (CFS; see proposed model below) for each beneficiary and (if applicable) each linked third party, if:

- it requests EUR 325 000 or more as reimbursement of actual costs and
- the maximum grant amount indicated for that beneficiary/linked third party in the estimated budget (see Annex 2) as reimbursement of actual costs is EUR 750 000 or more.]

[OPTION 2 for actions with several RPs and interim payments: Within 60 days of the end of each reporting period, the coordinator must submit to the Agency a **periodic report**, which should include (among other documents and unless otherwise specified in Article 15 of the Grant Agreement) a **certified financial statement** (CFS; see proposed model below) for each beneficiary and (if applicable) each linked third party, if:

- the cumulative amount it requests as reimbursement of actual costs is EUR 325 000 or more and
- the maximum grant amount indicated for that beneficiary/linked third party in the estimated budget (see Annex 2) as reimbursement of actual costs is EUR 750 000 or more.

The CFS must be submitted every time the cumulative amount of payments requested (i.e. including in previous financial statements) reaches the threshold (i.e. a first certificate once the cumulative amount reaches 325 000, a second certificate once it reaches 650 000, a third certificate once it reaches 975 000, etc.).

Once the threshold is reached, the CFS must cover all reporting periods for which no certificate has yet been submitted.]

The beneficiary must provide the CFS for itself and, if applicable, for its linked third party(ies).

The **purpose** of the audit on which the CFS is based is to give the Agency ‘reasonable assurance’¹ that costs declared as eligible costs under the grant (and, if relevant, receipts generated in the course of the action) are being claimed by the beneficiary/linked third party in accordance with the relevant legal and financial provisions of the Grant Agreement.

The **scope** of the audit is limited to the verification of eligible costs included in the CFS. The audit must be conducted in line with point 3 below.

Certifying auditors must carry out the audits in compliance with generally accepted **audit standards** and indicate which standards they have applied. They must bear in mind that, to establish a CFS, they must carry out a compliance audit and not a normal statutory audit. The eligibility criteria in the Grant Agreement always override normal accounting practices.

The beneficiary/linked third party and the auditor are expected to address any **questions on factual data or detailed calculations** before the financial statement and the accompanying certificate are submitted. It is also recommended that the beneficiary/linked third party take into account the auditor’s preliminary comments and suggestions in order to avoid a qualified opinion or reduce the scope of the qualifications.

Since the certificate is the main source of assurance for cost claims and payments, it will be easier to consider amounts as eligible if a **non-qualified certificate** is provided.

The submission of a certificate does not affect the Agency’s right to carry out its **own assessment or audits**. Neither does the reimbursement of costs covered by a certificate preclude the Agency or the Commission, the European Anti-Fraud Office (OLAF) or the European Court of Auditors from carrying out checks, reviews, audits and investigations in accordance with Article 17 of the Grant Agreement. The CFS audit is not a full-fledged audit according to international auditing standards and does not give assurance on the legality and regularity of the costs declared.

The Agency expects the certificates to be issued by auditors according to the highest professional standards.

2. Auditors who may deliver a certificate

The beneficiary/linked third party is free to choose a **qualified external auditor**, including its usual external auditor, provided that:

- the external auditor is **independent** from the beneficiary/linked third party and
- the provisions of **Directive 2006/43/EC**² are complied with.

¹ This means a high degree of confidence.

² Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts or similar national regulations (OJ L 157, 9.6.2006, p. 87).

Independence is one of the qualities that permit the auditor to apply unbiased judgement and objective consideration to established facts to arrive at an opinion or a decision. It also means that the auditor works without direction or interference of any kind from the beneficiary/linked third party.

Auditors are considered as providing services to the beneficiary/linked third party under a **purchase contract** within the meaning of Article 9 of the Grant Agreement. This means that the costs of the CFS may normally be declared as costs incurred for the action, if the cost eligibility rules set out in Articles 6 and 9.1.1 of the Grant Agreement are fulfilled (especially: best value for money and no conflict of interests; see also below eligibility of costs of other goods and services). Where the beneficiary/linked third party uses its usual external auditor, it is presumed that they already have an agreement that complies with these provisions and there is no obligation to find new bids. Where the beneficiary/linked third party uses an external auditor who is not their usual external auditor, it must select an auditor following the rules set out in Article 9.1.1.

Public bodies can choose an external auditor or a competent public officer. In the latter case, the auditor's independence is usually defined as independence from the audited beneficiary/linked third party 'in fact and in appearance'. A preliminary condition is that this officer was not involved in any way in drawing up the financial statements. Relevant national authorities establish the legal capacity of the officer to carry out audits of that specific public body. The certificate should refer to this appointment.

3. Audit methodology and expected results

3.1 *Verification of eligibility of the costs declared*

The auditor must conduct its verification on the basis of inquiry and analysis, (re)computation, comparison, other accuracy checks, observation, inspection of records and documents and by interviewing the beneficiary/linked third party (and the persons working for it).

The auditor must examine the following documentation:

- the Grant Agreement and any amendments to it;
- the periodical and/or final report(s);
- *for personnel costs*
 - salary slips;
 - time sheets;
 - contracts of employment;
 - other documents (e.g. personnel accounts, social security legislation, invoices, receipts, etc.);
 - proofs of payment;
- *for subcontracting*
 - the call for tender (if any);
 - tenders (if any);
 - justification for the choice of subcontractor;
 - contracts with subcontractors;
 - invoices;

- declarations by the beneficiary/linked third party;
- proofs of payment;
- other documents: e.g. national rules on public tendering if applicable, EU Directives, etc.;
- *for travel and subsistence costs*
 - the beneficiary/linked third party's internal rules on travel;
 - transport invoices and tickets;
 - declarations by the beneficiary/linked third party;
 - other documents (proofs of attendance such as minutes of meetings, reports, etc.);
 - proofs of payment;
- *for equipment costs*
 - invoices;
 - delivery slips / certificates of first use;
 - proofs of payment;
 - depreciation method of calculation;
- *for costs of other goods and services*
 - invoices;
 - proofs of payment; and
 - other relevant accounting documents.

General eligibility rules

The auditor must verify that the costs declared comply with the general eligibility rules set out in Article 6.1 of the Grant Agreement.

In particular, the costs must:

- be actually incurred;
- be linked to the subject of the Grant Agreement and indicated in the beneficiary/linked third party's estimated budget (i.e. the latest version of Annex 2);
- be necessary to implement the action which is the subject of the grant;
- be reasonable and justified, and comply with the requirements of sound financial management, in particular as regards economy and efficiency;³
- have been incurred during the action, as defined in Article 3 of the Grant Agreement (with the exception of the invoice for the audit certificate and costs relating to the submission of the final report);
- not be covered by another EU grant (see below ineligible costs);
- be identifiable, verifiable and, in particular, recorded in the beneficiary/linked third party's accounting records and determined according to the applicable accounting standards of the country where it is established and its usual cost-accounting practices;
- comply with the requirements of applicable national laws on taxes, labour and social security;
- be in accordance with the provisions of the Grant Agreement (see, in particular, Articles 6 and 9-11a) and
- have been converted to euro at the rate laid down in Article 15.6 of the Grant Agreement:

³ To be assessed in particular on the basis of the procurement and selection procedures for service providers.

- for beneficiaries/linked third parties with accounts established in a currency other than the euro:
Costs incurred in another currency must be converted into euros at the average of the daily exchange rates published in the C series of the [EU Official Journal](#) determined over the corresponding reporting period.
If no daily euro exchange rate is published in the EU Official Journal for the currency in question, the rate used must be the average of the monthly accounting exchange rates established by the Commission and published on its [website](#);
- for beneficiaries/linked third parties with accounts established in euro:
Costs incurred in another currency should be converted into euros applying the beneficiary/linked third party's usual accounting practice.

The auditor must verify whether expenditure includes **VAT** and, if so, verify that the beneficiary/linked third party:

- cannot recover the VAT (this must be supported by a statement from the competent body) and
- is not a public body acting as a public authority.

The auditor should base his/her audit approach on the **confidence level** following a review of the beneficiary/linked third party's internal control system. When using sampling, the auditor should indicate and justify the sampling size.

Specific eligibility rules

In addition, the auditor must verify that the costs declared comply with the specific cost eligibility rules set out in Article 6.2 and Articles 9.1.1, 10.1.1, 11.1.1, 11a.1.1 and 11a.2.1 of the Grant Agreement.

Personnel costs

The auditor must verify that:

- personnel costs have been charged and paid in respect of the actual time devoted by the beneficiary/linked third party's personnel to implementing the action (justified on the basis of time sheets or other relevant time-recording system);
- personnel costs were calculated on the basis of annual gross salary, wages or fees (plus obligatory social charges, but excluding any other costs) specified in an employment or other type of contract, not exceeding the average rates corresponding to the beneficiary/linked third party's usual policy on remuneration;
- the work was carried out during the period of implementation of the action, as defined in Article 3 the Grant Agreement;
- the personnel costs are not covered by another EU grant (see below ineligible costs);
- for additional remuneration: the 2 conditions set out in Article 6.2.A.1 of the Grant Agreement are met (i.e. that it is part of the beneficiary/linked third party's usual remuneration practices and is paid in a consistent manner whenever the same kind of work or expertise is required and that the criteria used to calculate the supplementary payments are objective and generally applied by the beneficiary/linked third party, regardless of the source of funding used);

- for in-house consultants: the 3 conditions set out in Article 6.2.A.2 of the Grant Agreement are met (i.e. that the in-house consultant works under conditions similar to those of an employee, that the result of the work carried out belongs to the beneficiary/linked third party, and that the costs are not significantly different from those for personnel performing similar tasks under an employment contract).

The auditor should have assurance that the management and accounting system ensures proper allocation of the personnel costs to various activities carried out by the beneficiary/linked third party and funded by various donors.

Subcontracting costs

The auditor must verify that:

- the subcontracting complies with best value for money (or lowest price) and that there was no conflict of interests;
- the subcontracting was necessary to implement the action for which the grant is requested;
- the subcontracting was provided for in Annex 1 and Annex 2 or agreed to by the Agency at a later stage;
- the subcontracting is supported by accounting documents in accordance with national accounting law;
- public bodies have complied with the national rules on public procurement.

Costs of providing financial support to third parties (if applicable)

The auditor must obtain the details and breakdown of the costs of providing financial support to third parties and sample cost items selected randomly (full coverage is required if there are fewer than 10 items, otherwise the sample should have a minimum of 10 items or 10% of the total, whichever number is highest).

The auditor must verify that:

- the maximum amount of financial support for each third party did not exceed EUR 60 000, unless explicitly mentioned in Annex 1 of the Grant Agreement
- the other conditions set out in the Grant Agreement were respected.

Travel and subsistence costs

The auditor must verify that travel and subsistence costs:

- have been charged and paid in accordance with the beneficiary/linked third party's internal rules or usual practices;
- are not covered by another EU grant (see below ineligible costs)
- were incurred for travels linked to action tasks set out in Annex 1 of the Grant Agreement.

Equipment costs

The auditor must verify that:

- the equipment is purchased, rented or leased at normal market prices;

- public bodies have complied with the national rules on public procurement;
- the equipment is written off, depreciation has been calculated according to the tax and accounting rules applicable to the beneficiary/linked third party and only the portion of the depreciation corresponding to the duration of the action has been declared;
- the costs are not covered by another EU grant (see below ineligible costs).

Costs of other goods and services

The auditor must verify that:

- the purchase complies with best value for money (or lowest price) and that there was no conflict of interests;
- public bodies have complied with the national rules on public procurement;
- the costs are not covered by another EU grant (see below ineligible costs).

Ineligible costs

The auditor must verify that the beneficiary/linked third party has not declared any costs that are ineligible under Article 6.4 of the Grant Agreement:

- costs relating to return on capital;
- debt and debt service charges;
- provisions for future losses or debts;
- interest owed;
- doubtful debts;
- currency exchange losses;
- bank costs charged by the beneficiary/linked third party's bank for transfers from the Agency;
- excessive or reckless expenditure;
- deductible VAT;
- VAT incurred by a public body acting as a public authority;
- costs incurred during suspension of the implementation of the action;
- in-kind contributions from third parties;
- costs declared under other EU grants (including those awarded by a Member State and financed by the EU budget or awarded by bodies other than the Agency for the purpose of implementing the EU budget); in particular, indirect costs if the beneficiary/linked third party is already receiving an EU operating grant in the same period, unless they can demonstrate that the operating grant does not cover any costs of the action;
- costs incurred for permanent staff of a national administration for activities that are part of its normal activities (i.e. not undertaken only because of the grant);
- costs incurred for staff or representatives of EU institutions, bodies or agencies;.

For more information on cost eligibility, see the [COSME Guide for applicants](#).

3.2 Verification of receipts

The auditor must verify that the beneficiary/linked third party has declared receipts within the meaning of Article 5.3.3 of the Grant Agreement, i.e.:



- income generated by the action (e.g. from the sale of products, services and publications, conference fees) and
- financial contributions given by third parties, specifically to be used for costs that are eligible under the action.

3.3 *Verification of the beneficiary/linked third party's accounting system*

The auditor must verify that:

- the accounting system (analytical or other suitable internal system) makes it possible to identify **sources of financing** for the action and related expenses incurred during the contractual period and
- expenses/income under the grant have been recorded systematically using a numbering system that **distinguishes** them from expenses/income for other projects.

Certificate on the financial statement (CFS)

To

[Beneficiary/linked third party's full name
address]

We, [full name of the audit firm/organisation], established in [full address/city/country],
represented for signature of this audit certificate by [name and function of an authorised
representative],

hereby certify

that:

1. We have **conducted an audit** relating to the costs declared in the financial statement of [name of beneficiary/linked third party] (the [‘beneficiary’]/[‘linked third party’]), to which this audit certificate is attached and which is to be presented to the Executive Agency for Small and Medium-sized Enterprises (EASME) under Grant Agreement No [insert number] — [insert acronym], covering costs for the following reporting period(s): [insert reporting period(s)].
2. We confirm that our audit was **carried out in accordance with generally accepted auditing standards** in compliance with ethical rules and on the basis of the provisions of the **Grant Agreement** and its Annexes (and in particular the audit methodology described in Annex 5).
3. The financial statement was examined and all necessary tests of [all/[X]]% of the supporting documentation and accounting records were carried out in order to obtain **reasonable assurance that**, in our opinion and on the basis of our audit
 - total **costs of EUR [insert number]** ([insert amount in words]) are eligible, i.e.:
 - actual (— for actual costs);
 - determined in accordance with the [beneficiary’s]/[linked third party’s] accounting principles (— for actual costs);
 - incurred during the period referred to in Article 3 of the Grant Agreement;
 - recorded in the [beneficiary’s]/[linked third party’s] accounts (at the date of this audit certificate);
 - comply with the specific eligibility rules in Article 6.2 of the Grant Agreement;
 - do not contain costs that are ineligible under Article 6.4 of the Grant Agreement, in particular:
 - costs relating to return on capital;
 - debt and debt service charges;
 - provisions for future losses or debts;
 - interest owed;
 - doubtful debts;
 - currency exchange losses;

- bank costs charged by the [beneficiary's//linked third party's] bank for transfers from the Agency;
 - excessive or reckless expenditure;
 - deductible VAT;
 - VAT incurred by a public body acting as a public authority;
 - costs incurred during suspension of the implementation of the action;
 - in-kind contributions provided by third parties;
 - costs declared under other EU grants (including those awarded by a Member State and financed by the EU budget or awarded by bodies other than the Agency for the purpose of implementing the EU budget); in particular, indirect costs if the [beneficiary//linked third party] is already receiving an EU operating grant in the same period, unless it can demonstrate that the operating grant does not cover any costs of the action;
 - costs incurred for permanent staff of a national administration, for activities that are part of its normal activities (i.e. not undertaken only because of the grant);
 - costs incurred for staff or representatives of EU institutions, bodies or agencies;
 - [are claimed according to the euro conversion rate referred to in Article 15.6 of the Grant Agreement (— for actual costs);]
- total **receipts** of EUR [insert number] ([insert amount in words]) have been declared under Article 5.3.3 of the Grant Agreement and
 - the [beneficiary's//linked third party's] **accounting procedures** are in compliance with the accounting rules of the state in which it is established and permit direct reconciliation of the costs incurred for the implementation of the action covered by the EU grant with the overall statement of accounts relating to its overall activity.

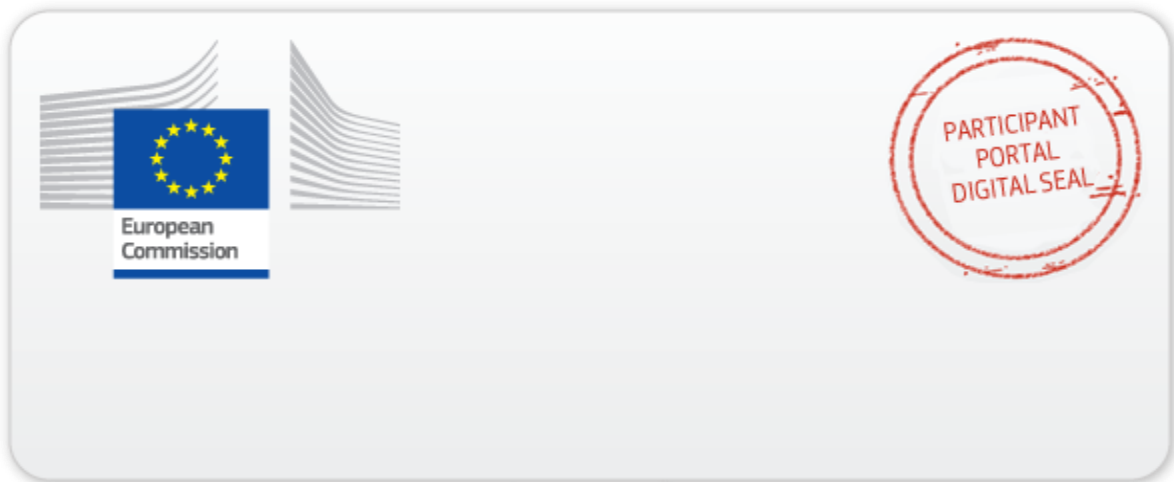
[However, our audit opinion is **qualified** for:

- costs of EUR [insert number]
- receipts of EUR [insert number]

which in our opinion do not comply with the applicable rules.]

4. We are qualified/authorised to deliver this audit certificate [(for additional information, see appendix to this certificate)].
5. The [beneficiary//linked third party] paid a **price** of EUR [insert number] (including VAT of EUR [insert number]) for this audit certificate. **[OPTION 1:** These costs are eligible (i.e. incurred within 60 days of the end of the action referred to in Article 3 of the Grant Agreement) and included in the financial statement.**][OPTION 2:** These costs were not included in the financial statement.]

Date, signature and stamp



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