

# ST2

## Support for Organisations Active at European Level in the Field of Culture (strand 2)

Note that **VI.1** at the end of each heading refers to the relevant chapter in the official *Programme Guide*

### 1. Introduction **VI.1**

This *strand* aims to co-finance expenditure regarding the long-term work programme of those organisations pursuing an aim of general European interest in the field of culture or an objective forming part of the EU policy in this area.

Four categories of organisations are eligible under this *strand*. An organisation can only apply for one of those categories or for one subcategory if it applies under category d).

### 2. Four Categories **VI.1.1**

#### a) Ambassadors (40% of budget)

Organisations which, through their influence in the cultural field at European level, have clear potential to be European "representatives" of European culture and, as such, can fulfil their role of European Cultural Ambassadors.

The organisations particularly referred to in this category are orchestras, choirs, theatre groups and dance companies whose activities have a real European dimension. The organisation's activities must be carried out in at least seven *eligible countries*.

#### b) Advocacy Networks (30% of budget)

Advocacy networks entrusted with this responsibility by their members and which have a significant representation of specific category(ies) of cultural operators or of the cultural fields at European level. The networks have to have been in existence for at least one year.

The networks should gather members which are legally established in at least fifteen *eligible countries*. Alternatively, when networks are composed of organisations representing cultural operators at national level (such as national federations) the network shall reach a substantial representation in at least ten *eligible countries*.

#### c) Festivals (20% of budget)

Organisations carrying out festival(s) which perform supranational activities with clear European added value and geographical outreach as well as broad European visibility covering at least seven *eligible countries*. Festivals have to be renowned and recognised at European level and to have been in existence for at least five years.

Please note that the Programme does not support activities relating to the audiovisual and cinematographic sectors (such as film festivals).

#### d) Policy Support Structures for the Culture Agenda (10% of budget)

In the framework of the European Agenda for Culture<sup>1</sup>, support can be provided for organisations actively engaging in a structured dialogue with the European Commission as well as to groupings developing policy analysis supporting the objectives of this Agenda, and more particularly with the five priority areas for action for the

period 2008-2010 endorsed at European level<sup>2</sup> by the Council.

The five priorities are:

- improving the conditions for the mobility of artists and other professionals in the cultural field;
- promoting access to culture, especially through the promotion of cultural heritage, cultural tourism, multilingualism, digitisation, synergies with education (in particular arts education) and greater mobility of collections;
- developing data, statistics and methodologies in the cultural sector and improving their comparability;
- maximising the potential of cultural and creative industries, in particular that of small and medium sized enterprises (SMEs);
- promoting and implementing the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions<sup>3</sup>.

Two sub-categories of organisations may be supported under this category:

##### i) Structured dialogue platforms

Culture civil society platforms engaged in a structured dialogue with the Commission in the framework of the European Agenda for culture.

Such structured dialogue platforms must respond to policy priorities defined by the Commission in specific calls for expression of interest<sup>4</sup> and conform to their specifications. The platforms will be established further to the publication of a call for expression of interest by the Commission and will need to focus on the themes indicated in each call.

The platforms shall comprise non-governmental organisations from the cultural sector (such as networks, foundations, professional organisations) with a trans-national or European-wide dimension. Members of the platform must represent collectively cultural operators established in at least fifteen *eligible countries*.

##### ii) Policy analysis groupings

Groupings of various types of private or public stakeholders (such as cultural departments of national, regional or local authorities, cultural observatories or foundations, universities specialised in cultural affairs) which have direct and practical experience in the analysis, evaluation or impact assessment of cultural policies on one or more priorities linked to the European Agenda for culture as defined by the Council.

Support can be given for such groupings to exchange and compare existing data and evaluation methodologies at national/local levels and produce new methodologies or data on the considered topic as well as to maximise the impact and have an EU wide reporting and dissemination of the results.

<sup>1</sup> Resolution of the Council of 16 November 2007 on a European Agenda for Culture, 2007/C 287/01 <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0242:FIN:EN:PDF>

<sup>2</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2007:287:0001:0004:EN:PDF>

<sup>3</sup> [http://portal.unesco.org/en/ev.php-URL\\_ID=31038&URL\\_DO=DO\\_TOPIC&URL\\_SECTION=201.html](http://portal.unesco.org/en/ev.php-URL_ID=31038&URL_DO=DO_TOPIC&URL_SECTION=201.html)

<sup>4</sup> The first call has been published in 03/2008. See: [http://ec.europa.eu/culture/pdf/doc1203\\_en.pdf](http://ec.europa.eu/culture/pdf/doc1203_en.pdf)

Groupings should gather members which are legally established in at least three *eligible countries*. Coordination and other eligible activities can be led and designed by one of the organisations which is a member of the grouping.

### 3. Annual or Multi-annual Support

Organisations can choose to apply for either:

**a) an annual operating grant** (every year until 2013)  
Organisations may submit an application for an annual operating grant every year until the end of the Programme (please see **Info-Sheet ALL**). Organisations which receive a multi-annual grant through a framework partnership do not have to apply for an annual grant for the duration of the framework partnership. For example, an organisation which receives a multi-annual grant for 3 years from 2008 to 2010 does not have to apply in 2008 or 2009.

**b) a framework partnership** (for three years, 2011- 2013)  
Organisations wishing to establish a long-term cooperation relationship with the Executive Agency are invited to submit an application for a framework partnership. The next application date for such a partnership is 2010. The partnership formalises the organisation's relationship with the Executive Agency for 3 years, from 2011 - 2013, to enable it to achieve its long-term objectives.

Organisations that wish to apply for a framework partnership should submit in addition to a detailed annual work programme for the first 12 months (i.e. 2011) a **three-year action plan** setting out the objectives, priorities and expected results (achievements) for the period 2011–2013 as well as the strategy and the actions to be implemented to ensure that the objectives and results are achieved. The action plan provides in particular for a breakdown of the objectives/results and actions for each of the three years.

In 2012 and 2013, the selected organisation will, at the request of the Executive Agency, submit a simplified application for a grant with a detailed work programme and the corresponding budget for 2012 and 2013. The work programme agreed on jointly by the two parties will serve as the basis for the award of the specific operating grant for the relevant year.

If the same organisation decides in 2010 to submit applications under the two options a) and b) described above, and if these two applications are both selected, priority will be given to the framework partnership.

### 4. Deadlines VI.2

- Annual operating grants: applications are possible every year up to 2012 – **deadline 1 November each year**.
- Framework partnerships: one deadline: **1 November 2010**.

### 5. Who is eligible to apply ? VI.3

Eligible organisations must:

- be a public or private, independent organisation having legal status and legal personality. International, national, regional or local 'public authorities', such as municipalities, provinces or regions, are ineligible. Natural persons are also not eligible to apply for a grant;
- have existed legally for at least two years when the application is submitted<sup>5</sup>;
- have their registered office based in one of the *eligible countries*;
- be a non-profit-making organisation;
- have a legal mandate in the field of culture. Therefore, the applying organisation must be pursuing an aim of general European interest in the field of culture or an objective forming part of the EU policy in this area;
- fulfil the conditions for their category mentioned below.

<sup>5</sup> Please note that for category b) Advocacy Networks, the minimum duration of legal existence is one year. Furthermore this rule does not apply for sub-category d) i) Structured Dialogue Platforms.

### Eligibility Period VI.4

The period of eligibility must correspond to the applicant's *financial year*.

### Selection Criteria VI.4

Proposals shall be assessed on the basis of the *operational capacity* and *financial capacity*. (please refer to Chapter II.2.3) For all categories, applications will be assessed on a scale from 0 to 30 points. A ranked list of the applications which receive at least 3,5 points for each award criterion (from 1) to 3) and at least 75% scoring in total, will be compiled.

### 6. What are the Award Criteria ? VI.6

Awarding a grant is not only dependent on assessment of the eligibility, exclusion and selection criteria (see Chapter III). The final selection decision will be determined on the basis of the type of proposal submitted (annual operating grant or framework partnership) assessed on the basis of the *award criteria*.

In the case of applications for

1. an **annual operating grant**, the selection decision will be taken on the basis of the content and impact of the detailed work programme for the financial year in question;
2. a **framework partnership**, the selection decision will be taken on the basis of the planned achievements of the content and impact of the **three-year action plan (2011-2013)** and the **detailed annual work programme for 2011 and its coherence** with the organisation's three-year action plan, against the *award criteria* defined below.

The *award criteria* are as follows:

1. the extent to which the work programme and the subsequent activities can generate a real **European added value** as well as the **European dimension of the proposed activities**
2. the relevance of the work programme and subsequent activities to the **specific objectives** of the Programme
3. the extent to which the proposed work programme and the subsequent activities are designed and can be carried out successfully with a high **level of excellence**
4. the extent to which the proposed work programme and subsequent activities can produce **outputs** which reach as many people as possible, both directly and indirectly
5. the extent to which the results of proposed activities will be appropriately **communicated** and **promoted**
6. the extent to which the activities can generate an appropriate level of **sustainability** (long-term results and cooperation) and also to act as multipliers to other possible promoters

#### 6.1 Common award criteria for all four categories

##### Excellence of proposed cultural activities (criterion 3) (0-5 points)

The extent to which the proposed work programme and the subsequent activities are designed and can be carried out successfully with a high level of excellence. Proposals not only have to meet the criteria and the objectives of the Culture Programme, but also have to be carried out successfully with a high quality level of activities. In this respect, the following factors will be assessed:

- The skills and experience of the persons in charge of the management and implementation of activities;
- The relevance of the activities proposed in terms of representing European culture at its highest level, the impact on both the European audience and the general public and the social dimension of the activities;
- The clarity and the consistency between the activities proposed, the budget allocated to each of them and the *operational* and *financial capacity* of the organisation;
- The quality of application and budget: the seriousness and completeness of the application, clarity and relevance of proposed methodology, clarity of the action description in terms of objectives and activities;
- outputs and detailed nature of the budget breakdown.

### **Communication and promotion of activities (criterion 5) (0-5 points)**

The results of activities proposed have to be appropriately disseminated and promoted. In this respect, the following factors will be assessed:

- The relevance of the communication plan with respect to the type of the activity and the target audience;
- The relevance and adequacy of the budget assigned to the communication / dissemination / promotion plan with respect to the direct and indirect impact expected;
- The methodology used to ensure the visibility of the activities proposed, the detailed communication / dissemination / promotion plan and the various promotional tools (such as website, press, brochures, radio) used.

### **Sustainability (criterion 6) (0-5 points)**

The activities of the cultural organisations are supposed to generate the greatest possible long-term results and cooperation, and also to act as multipliers for other possible promoters. In this respect, the following factors will be assessed:

- The extent to which the experience gained by the implementation of past and recent activities ensured a long term sustainability with a real European added value;
- The potential of the proposed activities to result in continued, sustained cooperation, in complementary activities or in permanent benefits at European level, and to contribute on a long-term basis to the development of cooperation between cultures in Europe;
- The potential of the proposed activities to generate other future initiatives which aim to promote trans-national mobility of people working in the cultural sector, to encourage trans-national circulation of cultural and artistic works and products and to encourage dialogue between cultures.

## **6.2 Additional specific criteria for each category**

### **a) Ambassadors:**

#### **European added value and European dimension of the proposed activities (criterion 1) (0-5 points)**

The following factors will be assessed:

- The way the objectives, methodology and nature of the proposed activities demonstrate an outlook that goes beyond local, regional or even national interests to work towards an aim of representing general European interest in the field of culture;
- The way proposed activities may have a greater effect and their objectives can be better achieved at European level than at national level;
- The extent to which the organisation through the influence of its activities at a European level, fulfils the role of European Cultural 'Ambassador' and, as such, its aptitude to be a real "representative" of European culture;
- The extent to which this European dimension is sought by the planned activities.

#### **Relevance to the specific objectives of the Programme (criterion 2) (0-5 points)**

The extent to which the proposed activities, contribute to the mobility of people and works and contribute to intercultural dialogue, will be assessed.

#### **Expected level of outputs (criterion 4) (0-5 points)**

The following factors will be assessed:

- The number of persons who might benefit directly and indirectly from the results of the activities proposed;
- The number of different European countries that will benefit from the activities proposed including the number of different countries, places and venues that will host the activities;
- The number of associates and sectors that may be effectively and permanently represented at European level.

### **b) Advocacy networks:**

#### **European added value and European dimension of the proposed activities (criterion 1) (0-5 points)**

The following factors will be assessed:

- The way the objectives, methodology and nature of the proposed activities demonstrate an outlook that goes beyond local, regional or even national interests to work towards an aim of networking, providing advocacy and establishing structured dialogue in the general European interest in the field of culture;
- The way the proposed activities may have a greater effect and their objectives can be better achieved at European level than at national level;
- The extent to which the applicant network represents bodies active in *eligible* or *Third Countries* and disseminates information on EU action, more particularly in order to promote Europe's cultural cooperation;
- The extent to which this European dimension is sought by the planned activities.

#### **Relevance to the specific objectives of the Programme (criterion 2) (0-5 points)**

The extent to which the advocacy and dialogue activities can help to structure and nurture debates on the development of a European shared cultural area and give a stronger voice to the cultural field in Europe, both at sector and individual levels, will be assessed.

#### **Expected level of outputs (criterion 4) (0-5 points)**

The following factors will be assessed:

- The number of persons who might benefit directly and indirectly from the results of the activities proposed;
- The number of different European countries that will benefit from the activities proposed including the number of different countries, places and venues that will host the activities;
- The number of associates and sectors that may be represented at European level and the expected results of contacts with EU Institutions.

### **c) Festivals:**

#### **European added value and European dimension of the proposed activities (criterion 1) (0-5 points)**

With regard to the award criterion "European Added Value and European dimension of the proposed activities" the following factors will be assessed:

- The way the objectives, methodology and nature of the proposed activities demonstrate an outlook that goes beyond local, regional or even national interests to work towards an aim of achieving general European interest through organising festival activities in the field of culture;
- The extent to which the applicant body organises, within a renowned festival, recurring cultural events on a European scale and with a European visibility and dimension;
- The extent to which this European dimension is sought by the planned activities.

#### **Relevance to the specific objectives of the Programme (criterion 2) (0-5 points)**

With regard to the award criterion "Relevance to the specific objectives of the Programme" the extent to which the proposed European activities involve the mobility of people, works and performances and contribute to intercultural dialogue at European level will be assessed.

#### **Expected level of outputs (criterion 4) (0-5 points)**

With regard to the award criterion "Expected level of outputs" the following factors will be assessed:

- The number of persons who might benefit directly and indirectly from the results of the activities proposed;
- The number of different European countries that will benefit from the activities proposed including the number of different countries, places and venues that will host the activities;
- The number of persons / performers involved in organising activities at Europe-wide level within the event.

## d) Policy support structures for the Culture Agenda:

### European added value and European dimension of the proposed activities (criterion 1) (0-5 points)

The following factors will be assessed:

- The way the objectives, methodology and nature of the proposed activities demonstrate an outlook that goes beyond local, regional or even national interests to work towards an aim of networking, providing advocacy and establishing structured dialogue in the general European interest in the field of culture;
- The way the proposed activities may have a greater effect and their objectives can be better achieved at European level than at national level;
- The extent to which the applicant network represents organisations active in *eligible* or *Third Countries* and disseminates information on EU action, more particularly in order to promote Europe's cultural cooperation;
- The extent to which this European dimension is sought by the planned activities.

### Relevance to the specific objectives of the Programme (criterion 2) (0-5 points)

The extent to which the advocacy and dialogue activities can contribute to structure and nurture debates on the development of a European shared cultural area, and in particular on the objectives of the European Agenda for culture, will be assessed.

### Expected level of outputs (criterion 4) (0-5 points)

The following factors will be assessed:

- The number of persons who might benefit directly and indirectly from the results of the activities proposed;
- The number of associates and sectors that may be represented at European level and the expected results of contacts with EU Institutions.

## 7. Payment Arrangements VI.9

### 7.1 Pre-financing VI.9.1

*N.B. If a bank guarantee is required, the conditions associated with the payment arrangements here below are not the same. See Chapter III.1.6 for details.*

A pre-financing payment, as defined in the *Grant Agreement* will be transferred to the beneficiary within 45 days of the date when the Executive Agency signs the *Grant Agreement* and all the requested guarantees are received.

### 7.2 Interim Payment VI.9.2

An interim payment is intended to reimburse the *beneficiary* for expenditure on the basis of a detailed statement of the costs incurred once the action has reached a sufficient level of completion as defined in the relevant *Grant Agreement*. It may clear all or part of any pre-financing.

### 7.3 Final Payment VI.9.3

The Executive Agency shall establish the amount of the final payment on the basis of the final report.

*The following sections refer to flat rate and budget based financing – these are explained in detail in Info-Sheet FIN.*

#### Documents to be submitted for flat rate based financing:

- the final activity report on the implementation of the work programme and 2 copies of all publications;
- the annual accounts for the year for the grant received, including a statement on the number of staff, certified by a registered independent external auditor or, in case of public organisations, by a competent and independent public officer.

In case the organisation has not fully implemented the agreed work programme or made a surplus, the grant will be reduced.

#### Documents to be submitted for budget based financing:

- the final activity report on the implementation of the work programme and 2 copies of all publications;
- the final financial statement of the *eligible costs* actually incurred, following the structure of the estimated budget;
- a full summary statement of the receipts and expenditure of the work programme (list of invoices);
- certificate on financial accounts: certificate on the work programme's final financial statements and underlying accounts, produced by a registered independent auditor or, in case of public organisation, a competent and independent public officer. The certificate shall certify, in accordance with a methodology approved by the Executive Agency, that the costs declared by the organisation in the final financial statements on which the request of payment is based are real, accurately recorded and eligible and that all receipts have been declared, in accordance with the agreement.

If the *eligible costs* actually incurred by the *beneficiary* during the action are lower than anticipated, the Executive Agency shall apply the rate of co-financing, quoted in the *Grant Agreement*, to the actual costs. Where applicable, the *beneficiary* will be required to reimburse any excess amounts paid by the Executive Agency in the form of pre-financing.

In case the organisation has not fully implemented the agreed work programme or made a surplus, the grant shall be reduced.

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- [euronews.culture.info](http://euronews.culture.info)
- [eu.culture.info](http://eu.culture.info)
- [europe.culture.info](http://europe.culture.info)
- [ccp.culture.info](http://ccp.culture.info)
- [networks.culture.info](http://networks.culture.info)
- [partners.culture.info](http://partners.culture.info)

### SUPPLEMENT – CALCULATING POTENTIAL GRANT AVAILABLE

#### 8. Co-Financing **VI.7**

The rate of EU co-financing may not exceed 80% of the eligible operating cost of the applicants.

As a consequence, at least 20% of the total operating budget of the organisation must be co-financed from other sources. The amount of self-financing mentioned under income in the estimated budget is considered to have been definitively secured.

#### 9. Limitation of the Budget Increase Compared to Previous Budget Years

##### **VI.7.1**

To ensure a transparent allocation of the budget available for operating grants to organisations active at European level in the field of culture and in order to avoid unjustified inflation of the budget, the principle of limitation of the budget compared to previous *financial years* is applied.

The provisional budget cannot increase more than 10% the actual expenditure incurred in the last year closed or it will be capped at this level. The estimated expenditure is assessed against the profit and loss account for that year.

This rule applies for annual as well as Multi-annual Operating Grants.

#### 10. Maximum Thresholds **VI.7.2**

Without prejudice to the maximum 80% co-financing rule, or to the provisions of the Financial Regulation, the grant requested by each applicant must not exceed the following scales defined for each category:

##### a) Ambassadors:

Total costs	Maximum grant amount
under EUR 100.000	EUR 75.000
from EUR 100.000 to EUR 149.999	EUR 80.000
from EUR 150.000 to EUR 199.999	EUR 120.000
from EUR 200.000 to EUR 299.999	EUR 160.000
from EUR 300.000 to EUR 449.999	EUR 240.000
from EUR 450.000 to EUR 799.999	EUR 360.000
from EUR 800.000 to EUR 1.200.000	EUR 480.000
above EUR 1.200.000	EUR 600.000

##### b) Advocacy networks and d) Policy support structures for the Culture Agenda:

Total costs	Maximum grant amount
under EUR 100.000	EUR 75.000
from EUR 100.000 to EUR 150.000	EUR 80.000
above EUR 150.000	EUR 120.000

##### c) Festivals:

Total costs	Maximum grant amount
under EUR 100.000	EUR 50.000
from EUR 100.000 to EUR 150.000	EUR 75.000
above EUR 150.000	EUR 100.000

The prerogative of offering a higher grant amount for organisations carrying out extremely well renowned festivals, which are recognised at European level, is reserved for the two applications achieving the highest scores during the selection procedure. The maximum grant amount that can be awarded to those two festivals can not exceed EUR 200.000 each.

#### 11. Gradual Decrease of Operating Grants (degressivity rule) **VI.7.3**

In accordance with Article 113(2) of the Financial Regulation, operating grants shall be gradually decreased, when they are renewed.

In order to observe this rule, which applies without prejudice to the co-financing rule mentioned above, the percentage of EU co-financing corresponding to the grant awarded for the year in question shall be at least one point below the percentage of EU co-financing corresponding to the grant awarded for the previous *financial year*.

For the 3 years of the Framework Partnership Agreement, the same rule applies.

#### 12. How the Grant is Calculated **VI.8**

For the calculation of the operating grant, applicant organisations can choose between two systems of financing: flat rate financing (see 12.2 below) or the traditional budget based financing (see Chapter 12.1 below).

The flat rate financing has been introduced to simplify the calculation of the grant. Instead of the traditional system where the grant is calculated on the basis of a detailed budget, the flat rate system provides a fixed amount per staff member of the organisation. As the operating grants cover the total costs of an organisation, this saves time and provides greater flexibility for the organisation in the use of the grant. The flat rate system changes the basic calculation of the grant, i.e. without a detailed budget. All the other conditions (limitation of the growth of expenditure from one year to the other, the maximum thresholds and the rule of gradual decrease), however, continue to apply to the flat rate system.

##### 12.1 Budget Based Financing **VI.8.2**

The amount of the grant is calculated on the basis of a balanced, detailed forecast budget, expressed in EUR for each budgetary year. The information a budget should contain as well as the definition of *eligible costs* is described in **Info-Sheet FIN** "Budget based financing"

The same rules as described in sections 8-11 above apply: limitation of the growth of the budget, maximum thresholds, degressivity and non-profit rules as described above apply.

##### 12.2 Flat Rate Based Financing<sup>6</sup> **VI.8.1**

###### General provisions

Under this system, the grant is calculated on the basis of a fixed amount per staff member on the payroll - full and / or part-time - of the organisation up to a maximum. It includes all persons working for the applicant organisation (such as management, secretaries, assistants) on the payroll, but excludes the subcontracting, the voluntary work and trainees. Musicians and other artists can be included in the calculation even if they are not formally staff members and only receive a per diem and/or reimbursement of travel costs.

The organisation may use the grant to implement the agreed annual work programme without being limited by pre-defined budget heading thresholds which provides more flexibility.

<sup>6</sup> This type of co-funding is subject to a decision of the Commission.

The Executive Agency shall base the calculation of the grant on the actual number of staff employed by the organisation in the year for which the organisation receives the grant. **Organisations have to prove the number of staff at the end of the financial year in their certified annual accounts, or in a separate certificate by a registered, independent external auditor.**

#### Calculation of the grant amount

The applicant organisation takes the number of staff / year on its payroll for the calculation of the grant. It can define the number of staff using the total number of staff days and divide them by 220 (number of working days / year).

One year = 220 working days

1 working day = minimum of 7,5 hours

Only the working days of persons certified in the annual accounts of the organisation, or in a separate auditor's certificate, are considered for the final calculation of the grant.

The flat rate is variable depending on the country in which the organisation is based reflecting the cost level of each country.

The flat rate to be applied is that of the country where the organisation has its main activities, usually its headquarters.

Flat rates applicable in the *eligible countries* for all categories:

Countries	Codes	Rate per person in EUR
Austria	AT	40.295
Belgium	BE	38.627
Bulgaria	BG	11.186
Cyprus	CY	28.880
Czech Republic	CZ	24.890
Denmark	DK	40.033
Germany	DE	36.043
Estonia	EE	21.260
Greece	EL	27.768
Spain	ES	32.053
Finland	FI	36.992
France	FR	35.095
Croatia	HR	16.026
Hungary	HU	20.802
Ireland	IE	45.528
Iceland	IS	42.650
Italy	IT	32.511
Liechtenstein	LI	42.225
Latvia	LV	17.106
Lithuania	LT	17.989
Luxemburg	LU	45.855
FYRO Macedonia	MK	8.569
Malta	MT	22.797
Netherlands	NL	41.244
Norway	NO	45.855
Poland	PL	16.713
Portugal	PT	22.829
Romania	RO	11.709
Sweden	SE	37.940
Slovenia	SI	27.343
Slovakia	SK	19.428
Turkey	TR	9.223
United Kingdom	UK	38.333

The rates will be regularly updated.

An **automatic grant calculator** in the application form calculates the requested maximum grant. In order to allow for the inclusion of part time staff the *calculator* is based on man/days. The amount calculated with the automatic grant *calculator* is the maximum possible grant request before application of the rules mentioned in sections 8-11 above.

As the non-profit rule (see **Info-Sheet FIN**) applies, organisations should not ask for the maximum indicated by the *calculator*, if they can foresee that with that amount it will make a surplus.

The Executive Agency reserves the right to propose a co-funding amount lower than the amount requested by the applicant.

Within the flat rate system, applicants only have to submit:

#### a) Ex-ante

- together with their work programme, the latest available closed profit and loss accounts, certified by a registered independent external auditor;
- a summary statement of provisional expenditure and income including the estimated number of staff for the relevant year.

#### b) Ex-post

- a report detailing the implementation and results of the work programme (final report);

the profit and loss accounts for the year for the grant received (annual accounts), certified by a registered independent external auditor with a declaration, indicating the total number of staff members (number of staff / year / days). The latter is used to check the actual number of staff and whether the organisation made a profit out of the EU grant, and thus the basis for the calculation of the final grant.

### Example for the calculation of the grant under the flat rate system:

#### Calculation of the total grant

An Austrian organisation applying for a grant in 2008 within the category Ambassadors has a total expenditure in its last closed and certified profit and loss accounts available of EUR 286.000; It indicates a provisional expenditure for the year 2008 of EUR 290.000 and 5 staff members on the pay roll (consisting of two full time and one half time staff member and fifteen part time artists), working 220 days/year.

#### 1) Application of the maximum increase of costs rule

With a provisional expenditure of EUR 290.000, the organisation respects the maximum 10% costs increase rule (see '*Limitations of Budget Increase*' above).

#### 2) Application of the flat rate

5 staff members x EUR 40.295 (flat rate for Austria) makes EUR 201.475 for the potential grant.

#### 3) Application of the maximum thresholds

As the organisation's total costs in the preceding year were EUR 290.000, the maximum grant it can request would be EUR 180.000 (see section 10 '*Maximum Thresholds*' above).

The maximum amount the organisation could apply for is thus EUR 180.000.

As the non-profit rule (see **Info-Sheet FIN**) continues to apply, this means that the Executive Agency is obliged to cut or to reduce the grant, in case at the end of the year the annual accounts show a surplus. Organisations should take this into account when applying for a grant. In the example mentioned above, the Austrian organisation should not apply for the maximum grant of EUR 180.000, if it knows already that with that amount it would make a surplus on its annual accounts, but request a lower amount.

#### 4) Application of the degressivity rule

Also, according to the financial regulation, operating grants have to decrease over time. In order to observe this rule the percentage of EU co-financing corresponding to the grant awarded for 2008 shall be at least one point below the percentage of EU co-financing corresponding to the grant awarded for the previous *financial year* 2007.

In the case of the Austrian organisation, imagine it received in the previous year an operating grant of EUR 143.000 (50% of its total costs in that year). In that case the new grant cannot represent more than 49% of its total expenditure. As a result the maximum grant it can request would be EUR 142.100 (49% of EUR 290.000), which would mean a reduction of EUR 900 in comparison to the previous year<sup>7</sup>.

<sup>7</sup> Depending on the actual situation of an organisation this reduction may be more significant.