COMMISSION REGULATION (EC) No 1557/2001

of 30 July 2001

laying down detailed rules for the application of Council Regulation (EC) No 814/2000 on information measures relating to the common agricultural policy

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 814/2000 of 17 April 2000 on information measures relating to the common agricultural policy [1], and in particular Article 9 thereof,

Whereas:

(1) In view of experience gained during the 2000 and 2001 marketing years, Commission Regulation (EC) No 1390/2000 of 29 June 2000 laying down detailed rules for the application of Council Regulation (EC) No 814/2000 on information measures relating to the common agricultural policy [2] should be amended in order to make some clarifications, improve the arrangements for the receipt and processing of applications and provide for greater flexibility in financing arrangements to allow up to 75 % financing of certain measures of exceptional interest. In view of the extent of these necessary amendments, and to achieve transparency for all the interested parties, Regulation (EC) No 1390/2000 should be redrafted.

(2) Regulation (EC) No 814/2000 defines the type and content of information measures relating to the common agricultural policy.

(3) A call for proposals is the most efficient and most transparent way of ensuring that the grants provided for in Regulation (EC) No 814/2000 receive the widest publicity and that the best measures are selected.

(4) The eligibility criteria for applicants, the exclusion criteria and the general selection criteria for the measures referred to in Article 3(2) of Regulation (EC) No 814/2000 should be laid down in detail.

(5) Amongst the recipients of the financing foreseen under Regulation (EC) No 814/2000, there are organisations without a well-defined legal status. In order to protect the financial interests of the Community, when an advance on the grant is to be paid, it is, therefore, necessary for a bank guarantee of an equivalent amount to be provided.

(6) In order to make the financial resources available to the largest number possible, a financing rate of more than 50 % must be an exception.

(7) Notifying the Committee for the European Agricultural Guidance and Guarantee Fund (EAGGF), established by Council Regulation (EC) No 1258/1999 of 17 May 1999 on the financing of the common agricultural policy [3], of measures financed under this Regulation will facilitate the coordination of measures implemented by the Member States and those supported by the Community.

(8) Taking into account the time limits necessary for the call for proposals to be published, it is advisable to foresee the entry into force of the Regulation with immediate effect.

(9) The measures provided for in this Regulation are in accordance with the opinion of the EAGGF Committee,

HAS ADOPTED THIS REGULATION:

Article 1

Scope

This Regulation lays down detailed rules for the application of the information measures relating to the common agricultural policy in the form of work programmes and specific measures referred to in Article 2(1)(a) and (b) of Regulation (EC) No 814/2000.

Article 2

Call for proposals

The Commission shall publish in the *Official Journal of the European Communities* by 31 July each year a call for proposals specifying *inter alia* the priority topics and measures and the deadlines for the submission of applications and for the commencement, implementation and conclusion of the measures concerned.

Article 3

Eligibility criteria for applicants

1. The organisations and associations referred to in Article 2(1)(a) of Regulation (EC) No 814/2000 must meet the following conditions:

(a) be private; in the case of organisations or associations bringing together other organisations or associations, these last bodies must also be private;

(b) be non-profit-making;

(c) have been established in a Member State for at least two years.

[1] OJ L 100, 20.4.2000, p. 7.
[2] OJ L 158, 30.6.2000, p. 17.
[3] OJ L 160, 26.6.1999, p. 103.

2. The parties referred to in Article 2(1)(b) of Regulation (EC) No 814/2000 must be legal persons legally constituted in a Member State for at least two years.

3. Where the agreement referred to in Article 9 provides for the payment of an advance on the grant, the applicant shall provide a bank guarantee of an equivalent amount.

This guarantee shall not be required where the applicant is a public body.

Article 4

Reasons for excluding applicants

Applicants will be excluded in the following cases:

(a) if they are in a state of bankruptcy, liquidation, cessation or suspension of activities, judicial winding-up, composition or similar action, or if are the subject of such proceedings;

(b) if they have been convicted by a final judgment for an offence relating to professional good character;

(c) if they are guilty of serious professional misconduct;

(d) if they are in breach of the rules regarding the payment of social security contributions, taxes or dues;

(e) if they do not have the financial, technical or professional capacity required to implement the measure in the light of the information given in point 3(c) and (d) of Annex I.

Article 5

Ineligible measures

Apart from the measures listed in Article 2(3) of Regulation (EC) No 814/2000, the following shall not be eligible:

(a) profit-making measures;

(b) general assemblies or statutory meetings.

Article 6

Reasons for excluding measures and conditions governing the admissibility of measures

1. Work programmes shall be excluded where they involve an application for a grant of less than EUR 25 000 or more than EUR 500 000.

2. Specific measures shall be excluded where they involve an application for a grant of less than EUR 5 000 or more than EUR 100 000.

3. Work programmes and specific measures shall be excluded where the preparation thereof, implementation and follow-up are carried out outside the period laid down in the call for proposals under which they have been submitted.

4. Not more than one work programme or three specific measures may be received from each applicant in one marketing year.

5. If the call for proposals for the marketing year in question provides for a second date for the submission of applications, an applicant whose work programme has been rejected may submit a maximum of three grant applications, each for a specific measure, in compliance with the ceiling laid down in paragraph 2 of this Article.

6. Grant applications shall be admissible only where they are made in accordance with Annex I.

Article 7

Selection criteria for measures

1. The Commission shall select the applications to receive Community financing on the basis of the quality of the project and cost-effectiveness, as laid down in Article 3(2) of Regulation (EC) No 814/2000.

2. The quality of projects shall be appraised *inter alia* on the basis of:

(a) their relevance and general interest;

(b) their european dimension and value-added;

(c) their lasting multiplier effect at european, national and regional level;

(d) their contribution to the development of lasting multinational, inter-regional or inter-sectoral cooperation;

(e) the means contemplated for evaluating the measures.

3. Cost-effectiveness shall be appraised *inter alia* on the basis of:

(a) whether the budget submitted is reasonable;

(b) the contribution requested from the Commission;

(c) the ability of the applicant to mobilise other sources of financing.

4. The selection criteria shall be as set out in Annex II.

Article 8

Rate of financial assistance

1. The maximum rate of Community financing for the measures selected shall be 50 % of the eligible cost as defined in Annex III.

2. The maximum rate of Community financing may be increased to 75 % of the eligible cost for a specific measure or for one or more measures contained in a programme provided that they are of exceptional interest on the basis of the selection criteria and that they provide for subsistence expenses per participant and per day of less than 60 % of the maximum amount laid down in the scales made available to applicants by the Commission.

Preference shall be given to measures implemented in rural areas.

Article 9

Agreement

The applications selected shall be the subject of an agreement between the Commission and the beneficiaries covering the rights and obligations resulting from the Commission decision to award a grant.

Article 10

Annual nature of grants

Grants shall be awarded on a strictly annual basis and shall imply no right in subsequent years, even where the measure concerned forms part of a multiannual strategy.

Article 11

Publicity

A list of the beneficiaries and activities financed under this Regulation and the amounts and rates of financial support shall be published each year in the *Official Journal of the European Communities*.

Article 12

Notification of the EAGGF Committee

The EAGGF Committee shall be notified of:

(a) the content of the call for proposals before its publication;

(b) the work programmes received;

(c) the measures selected to receive a grant;

(d) activities implemented on the Commission's initiative.

Article 13

Evaluation

Beneficiaries shall provide everything required for the evaluation of the measures financed as provided for in Article 7 of Regulation (EC) No 814/2000 and shall in particular, complete the questionnaires and evaluation forms attached to the application forms supplied by the Commission.

The Commission shall carry out the evaluation four years at the latest after the entry into force of this Regulation.

Article 14

Repeal

Regulation (EC) No 1390/2000 is hereby repealed.

Article 15

Entry into force

This Regulation shall enter into force the day of its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 30 July 2001.

For the Commission

Frederik BOLKESTEIN

Member of the Commission

ANNEX I

SUBMISSION AND CONTENT OF GRANT APPLICATIONS

1. Grant applications must be:
   (a) submitted within the time limit laid down;
   (b) fully and correctly completed, and typewritten;
   (c) submitted in five copies [1], all signed and dated by the person responsible for the measure, using the original grant application forms available from the Commission as indicated in the call for proposals; where all or part of the measure is to be implemented outside the Community, an additional copy must be supplied;
   (d) sent by registered post with acknowledgement of receipt;
   (e) completed in one of the official languages of the Community; a brief summary of the project in one or more other Community languages may be attached.
2. The forward budget must:
   (a) be presented by measure (including for work programmes);
   (b) be drawn up using the original documents provided on the web site or from the Commission services indicated in the call for proposals;
   (c) be balanced, expressed in euro, and free of errors;
   (d) be sufficiently detailed to permit identification, monitoring and checking of the proposed measures;
   (e) indicate the calculations and specifications used in drawing it up;
   (f) include on the revenue side:
      — the direct contribution from the applicant,
      — details of contributions from any other providers of funds,
      — all revenue generated by the project including, where appropriate, the fees required of participants,
      — the requested Commission grant, where appropriate broken down into the different applications submitted to the Commission;
   (g) be dated and signed both on the revenue side and on the expenditure side.
3. The following must be attached to the application:
   (a) the applicant's articles of association, organisation chart, rules of procedure and most recent general report;
   (b) any document proving that the applicant does not fall within the scope of Article 4(a), (b), (c) or (d) of this Regulation;
   (c) balance sheets or annual accounts for the last two financial years;
   (d) any document proving the financial, technical and professional capacity of the applicant and, in particular, details of the academic and vocational qualifications and experience of those responsible for the measure, the average annual staff complement, the plant and technical equipment available and a description of the measures implemented over the last two years;
   (e) the detailed programme of each measure specifying, *inter alia*, the particular subjects to be dealt with, the structure of the event or publication, and, where possible, the names, qualifications and vocational experience of those participants whose travel and subsistence expenses are to be covered and of the contributors and the subjects the latter are to deal with;
   (f) all documents of use in appraising the content of the measure.

   Where subcontractors are used, the same information must be supplied to prove the financial, technical and vocational capacity of the subcontractor(s) concerned.

[1] Applications may be sent on electronic media but must be accompanied by a paper copy signed and dated by the person responsible for the measure.

ANNEX II

SELECTION CRITERIA

1. For the criteria referred to in Article 7(2):

   (a) the relevance and general interest of the measure are to be appraised, in particular, in the light of:
   - the extent to which the content of the measure is in line with the objectives laid down in Article 1 of Regulation (EC) No 814/2000 and covers the priority topics set out in the call for proposals,
   - the relevance of the information requirements identified by the applicant,
   - the extent to which the planned budgetary and human resources are adapted to the measures proposed by the applicant,
   - the suitability of the measures proposed by the applicant for the public targeted;

   (b) the European dimension and value-added are to be appraised, in particular, in the light of:
   - the number of countries covered by the measure,
   - the number of regions covered by the measure,
   - the number of sectors covered by the measure,
   - the number of organisations involved in drawing up and implementing the measure,
   - the degree of effective and balanced cooperation between the various partners in the planning and implementation of the measures and in their financial contributions,
   - the representativeness of the organisations concerned (in terms of the size of their membership and their areas of activity),
   - the expertise of the contributors and people involved in implementing the measures with regard to the topics covered;

   (c) the lasting multiplier effect at european, national and regional level is to be appraised, in particular, in the light of:
   - the number of beneficiaries of the measure,
   - the representativeness of the beneficiaries and the type of beneficiaries involved,
   - the dissemination policy chosen, i.e.:
     - the communication tools proposed (publications, reports, databases, directories, follow-up seminars, technical notes, etc.),
     - the media used (paper, electronic, audio-visual),
     - the information channels used (press, direct mail, direct distribution, etc.),
   - the follow-up given to the measure or its multiannual nature;

   (d) the contribution to the development of lasting multinational, inter-regional or inter-sectoral cooperation is to be appraised, in particular, in the light of:
   - the exchanges carried out,
   - the joint use made of experiences,
   - the partnerships set up,
   - the networks created,
   - the establishment of a joint information/dissemination policy;

   (e) the evaluation of the measures is to be appraised, in particular, in the light of:
   - the *ex ante* evaluation carried out,
   - the *ex post* evaluation carried out,
   - the criteria laid down for carrying out the evaluation,
   - the techniques used (surveys, questionnaires, statistics, etc).

2. For the criteria referred to in Article 7(3):

   (a) whether the budget submitted is reasonable is to be appraised, in particular, in the light of:
   - the total amount,
   - the costs given for each item, with reference to the best market conditions and the rates and scales laid down by the Commission,
   - the balance between the various items,
   - the total cost per direct beneficiary of the measure;

(b) the contribution requested is to be appraised, in particular, in the light of:
— the total amount,
— that contribution as a proportion of total revenue;

(c) the ability of the applicant to mobilise other sources of financing is to be appraised, in particular, in the light of:
— the applicant's own resources as a proportion of total revenue,
— committed public (national, regional or local) or private financing as a proportion of total revenue,
— the size of the contribution required of the participants.

ANNEX III

ELIGIBLE COSTS

1. To be eligible, costs must:

   (a) arise directly from the measure;

   (b) be essential for the implementation of the measure and reflect the best terms available on the market.

2. Costs must relate to:

   (a) preparation of the measures concerned (design, research, coordination, publicity, *ex ante* evaluation, etc.);

   (b) implementation of the measures (production costs, speakers' fees, hire of facilities and equipment, interpretation, printing of documents, participation in events, travel expenses, etc.);

   (c) follow-up activities (press reviews, distribution of reports, *ex post* evaluation, etc.).

3. The following are eligible:

   (a) personnel costs (unit cost per working day), on presentation of pay slips for the period concerned or invoices where outside personnel are used;

   (b) travel expenses as follows:
   — booking fees and the cost of second-class travel by train using the shortest route, on presentation of the ticket,
   — the cost of air travel for return journeys of more than 800 km, in economy class, using the lowest available promotional fare (APEX, PEX, Excursion, etc.), on presentation of the ticket and boarding cards [1],
   — the cost of inter-city journeys by coach, using the shortest route, on presentation of the ticket or invoice,
   — the cost of coach or car hire, provided that it is included in the forward budget and duly justified, on presentation of the invoice,
   — the cost of travel in a private car, based on second-class rail or coach travel, using the shortest route, supplements excluded; such costs are eligible on presentation of a declaration signed by the user specifying the dates of departure and return and the point of departure and the destination and an attestation from a rail or coach company indicating the cost of such a journey [2]; expenditure incurred by the user of a private car on petrol, parking, road tolls and meals is not eligible,
   — the cost of urban transport (bus, underground, tram) and taxi fares are not eligible;

   (c) accommodation and subsistence expenses, on the following conditions:
   — up to a maximum amount per person per day (available from the Commission); this amount covers the cost of accommodation and of group meals taken in connection with implementation of the measure, on presentation of the invoices,
   — up to a maximum amount per person per meal (available from the Commission); where provision is made for some or all meals not to be taken together,
   — joint hotel bills are eligible only where they indicate the number of rooms, the names of the persons concerned and the number of nights; restaurant bills must specify the number of diners and a list of diners must be attached;

   (d) the cost of interpretation and translation, on the same conditions as personnel costs, up to maximum amounts (available from the Commission);

   (e) the fees of experts or speakers, up to a maximum amount (available from the Commission), on presentation of an invoice and proof of payment, provided that the persons concerned are not national, Community or international civil servants or members or employees of the organisation receiving the grant or an associated or affiliated organisation;

   (f) the hire of conference halls and equipment, on presentation of the invoice;

   (g) subcontracting, but only in those cases stipulated in the agreement; where the contract is for an amount of more than EUR 10 000, the beneficiary must obtain three tenders, provide the Commission with proof that the subcontractor selected represents the best value and justify that choice where the tender selected is not the cheapest; the subcontractor is subject to the same rules as the beneficiary;

[1] Where another class is used, expenses are eligible only on presentation of an attestation by the transport company indicating the cost of second-class travel, in which case the eligible expenditure will be limited to that amount.
[2] By derogation, where there is no public transport link and for a return journey of up to 300 kilometres, the eligible cost shall be EUR 0,25 per kilometre.

(h) the cost of publication and distribution and the cost of audio-visual productions, other than personnel costs, on presentation of the invoices;

(i) other costs arising from the requirements of the grant agreement (audits, specific evaluations of the measure, reports, translations, securities, etc.), on presentation of the invoices;

(j) a contingency reserve of a maximum of 5 % of the direct eligible costs;

(k) a fixed amount of up to 7 % of the total direct eligible costs, including the contingency reserve, to cover the cost of consumables, supplies and other costs (including telephone, fax, couriers, Internet, photocopies and all office supplies), provided that the beneficiary is in receipt of no other operating costs grant from the European Commission.

4. The following are not eligible:

(a) contributions in kind;

(b) non-specified or one-off expenditure, except in the particular cases referred to in this Regulation;

(c) indirect costs (rent, electricity, water, gas, insurance, taxes, etc.);

(d) invested capital costs, contingency reserves, interest on debts owed, exchange rate losses, gifts and expenditure on luxuries.

5. The dates taken into account for the eligibility of costs are the dates when the costs are generated and not the dates when the accounting documents are drawn up.

No expenditure generated before the date on which the measure commences as specified in the grant agreement may be taken into consideration.

6. All invoices must be made out in due and proper form in accordance with the legislation or rules of the country concerned and must specify the amount and percentage of VAT. Poor-quality copies will not be taken into consideration.

7. No unjustified cost will be taken into account.

8. Costs must have actually been incurred, be recorded in the beneficiary's accounts or tax documents and be identifiable and verifiable.

9. Where eligible costs are directly covered by another provider of funds, this must be specified in the forward budget and in the final accounts under 'Other contributions' and fulfil the conditions laid down in paragraphs 6, 7 and 8.