
Factsheet – Financial Schemes

Introduction

Financial schemes are schemes supporting the distribution of rewards following a contest (such as prizes, vouchers or grants) to the benefit of third parties (individuals or organisations) that are not part of the project partnership.

Examples of financial schemes:

- R&D vouchers for SMEs
- Energy efficiency retrofit of houses belonging to citizens
- Grants to local associations helping migrants and refugees

A “financial schemes” must be properly described in the Application Form; an activity (at least a deliverable in any case) should be dedicated to it (see example below). The description should include the following elements:

- Purpose of the scheme
- Rules of the contest
- Award criteria
- Value (of the individual award)
- Total amount of the award (budget)
- Payment arrangements
- Target group

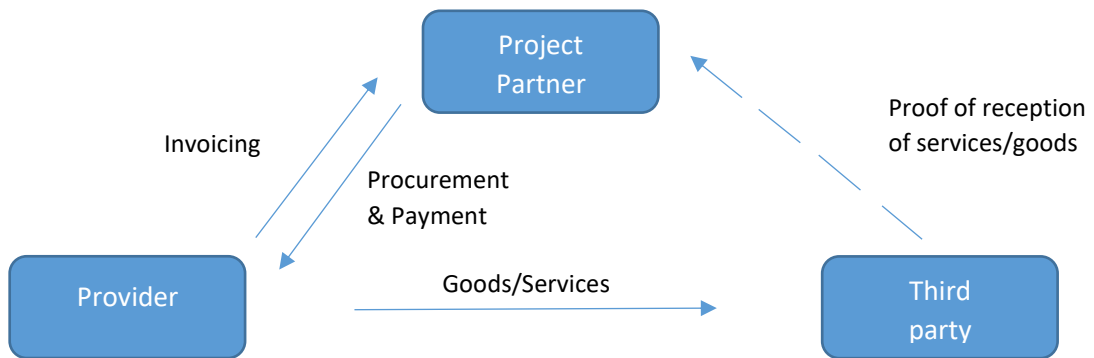
Please note that:

- Financial schemes shall respect the principles of transparency, equal treatment, avoiding conflict of interest, maintaining confidentiality, visibility of EU funding and liability for damages.
- Financial schemes shall promote the achievement of policy objectives of the Union
- Financial schemes must be in line with project objectives and support a project aim
- Individual award must not exceed EUR 60,000
- Projects need to monitor and control that winner beneficiaries are using the individual award according to the selected concepts. A recovery procedure should be in place in case of misuse
- Right of access to the individual scheme (for UIA authorities and control bodies) must be ensured by the project partner in charge of the scheme
- Only the amount paid out by the project partner to/for each third party can be claimed to UIA (ERDF = amount paid x ERDF rate)
- In case a third party pays to obtain the rewards, this sum must be treated as revenues for the project partner in charge of the scheme. As these revenues must be reported to UIA; they actually diminish the total eligible costs reported (and proportionally the ERDF payment to the partner)
- Double financing of the same costs is not allowed (e.g. expenditure which is already co-financed from another funding source)
- Compliance with the EU General Data Protection Regulation (GDPR) should be ensured

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Financial Scheme 1

A project partner directly procures and pays for the goods and/or services to the benefit of a third party.

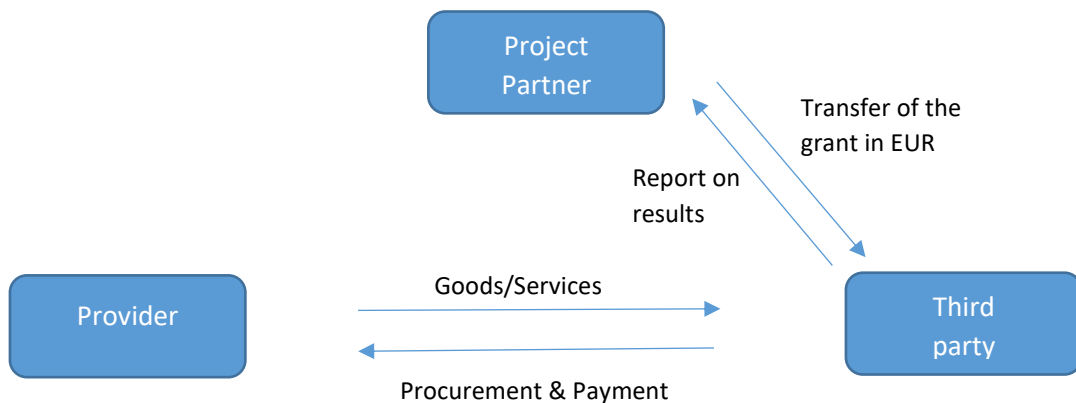


Audit trail

- The purpose of the scheme, the target group, the rules of the contest, the award criteria, the value, total amount of the award and the payment arrangements
- Selection of the beneficiaries
- Evidence of the procurement process in line with applicable EU, UIA, national and internal procurement rules
- Written contract (or any document of equivalent probative value) laying down the goods/services to be provided with clear reference to the project
- Invoice providing all relevant information in line with the applicable accountancy rules
- Proof of outputs or services delivered
- Proof of payment
- Identification of beneficiary (e.g.: the legal status of NGO; ID of individuals or equivalent)

Financial Scheme 2

A project partner provides the financial means directly to the third party who in turn purchases the goods and/or services that he needs.



Audit trail:

- The purpose of the scheme, the target group, the rules of the contest, the award criteria, the value and total amount of the award and the payment arrangements
- Selection of the third parties
- Written contract (or any document of equivalent probative value) laying down the purpose, terms and conditions of the scheme (with clear reference to the project)
- Proof of the transfer of funds from the project partner to the third party
- Report on results drafted by the third party and validated/accepted by the project partner responsible for the scheme. This report on results should include an overview of the costs incurred by the third party. On request, the third party should be able to provide the probing documents (invoices, proofs of payment...)
- EU, UIA, national and internal procurement rules
- Identification of beneficiary (e.g.: the legal status of NGO; ID of individuals or equivalent)

Example of the description of a financial scheme in the Application Form:

Activity:

Explanation on the purpose of the scheme including information about a quantified target group (*e.g. to support x NGOs/ civil society initiatives to implement activities relating to activity x of the WPx*) and how it contributes to the project aim (*e.g. active involvement of NGOs*). Based on a guideline developed for the implementation of financial schemes for these activities, and following several calls for concepts, selected *organisations* will be provided with funding to carry out their activities within the framework of the project.

Deliverables:

Deliverable 1: Set-up of a funding guideline for activity/activities x; they should describe:

- ➔ How do calls take place?
- ➔ Selection process (incl. criteria)
- ➔ Timeline
- ➔ Maximum amount of each individual award
- ➔ Payment arrangements (financial scheme 2)

Deliverable 2: Call for concepts for the implementation of activity/activities x

- ➔ Where and when will the call be published?
- ➔ How many calls will be launched in total?

Deliverable 3: Contest of the call for concepts of activity x

- ➔ All submissions are checked for compliance with the formal criteria outlined in the funding guideline
- ➔ For those submissions that fulfil the formal criteria, an assessment of the concepts is undertaken (based on internal guidelines relating to assessment criteria).

Deliverable 4: Selection of the winner beneficiaries of the call for concepts of activity x

- ➔ Following the assessment of the concepts, the best rated concepts are selected for funding. Depending on the respective call (and as stated in the call for concepts), one or more concepts will be selected for funding.

Output: Awarding of the winner beneficiaries of the call for concepts for the implementation

- ➔ The maximum total amount of the funding awarded is EUR X while each individual award does not exceed EUR Y. The target value refers to the (minimum) number of winner beneficiaries that are selected.

Example of a confidentiality and conflict of interest declaration

I the undersigned declare that, in participating as an independent expert in the evaluation of proposals received in the open call of project XXX

- I undertake to treat as confidential all information contained in the proposals which I am asked to evaluate, both during the evaluation and afterwards.
- I will not reveal to any third party the identity or any details of the views of my fellow evaluator(s), neither during the evaluation nor afterwards
- I do not, to the best of my knowledge, have any interest in any of the proposals submitted in this call, I have not been involved in their preparation and I do not benefit either directly or indirectly from the eventual selection. Should I discover a conflict of interest during the evaluation, I undertake to declare this and to withdraw from the evaluation.

Name, Signature and Date

Example of a public evaluation report

Results of open call XXX for recipients of financial support

Project **acronym:** XXX

Project **full name:** YYY

Project XXX, co-funded from the *Urban Innovative Actions Initiative* launched an open call XXX for recipients of financial support.

The call closed on XXX.

A total of XXX proposals were received for this call. XXX proposals will receive funding for a total amount of XXX EUR.

The evaluation and selection has been completed. All proposers have been informed about the evaluation results for their proposal for financial support.

Call information

The call was published on project XXX's website. Full call details were published at: (URL XXX)

Please add any other location where the call was published (if any) or any other relevant information.

Response to the call in detail

	Number of proposals	Funding requested
Proposals received		
Eligible proposals		
Proposals above threshold		
Selected proposals		

List of selected proposals

Organisation	Funding awarded