



Implementation of a Training Programme for professionals in the European
audiovisual programme industry

MEDIA 2007 - TRAINING

Call for proposals EACEA 18/06

Decision N° 1718/2006/EC of the European Parliament and of the Council

Guidelines

For submitting proposals to obtain
Community funding in the field of vocational
training

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1. GENERAL INFORMATION

1.1. Legal base

This call for proposals is in line with the MEDIA programme 2007-2013 as adopted by the European Parliament and the Council of the European Union (Decision n°1718/2006/CE of 15 November 2006).

The European Commission is responsible for the implementation of the MEDIA Programme and for the decision to grant individual European Community funds. However, the Education, and Culture Executive Agency administer the MEDIA Programme on behalf and under the control of the European Commission. The section responsible for the implementation of the call for proposals is the MEDIA programme unit, part of the Education, and Culture Executive Agency ("the Agency").

This call for proposals is aimed at European institutions, associations, organisations and companies whose training activities contribute to the realisation of the objectives of the programme MEDIA – Training as described in the Council and European Parliament decision n° 1718/2006/CE. These guidelines explain how to submit a proposal in view of obtaining a community financial contribution.

Budget

The maximum budget for this call for proposals amounts to 4 340 000 € depending upon the budget provisions available for the fiscal year 2007. **Community co-financing of the total training costs will be provided within a framework of joint funding with public and/or private partners, generally up to a limit of 50%.** The MEDIA Training Programme's funding may be raised to 60% for training activities in countries or regions with a low audiovisual production capacity and/or a restricted linguistic geographical area¹.

The European Commission reserves the right not to distribute all the funds available.

1.2. Objectives

Overall objectives of MEDIA 2007

- ◆ To increase the circulation of European audiovisual works inside and outside the European Union;
- ◆ To strengthen the competitiveness of the European audiovisual sector in the framework of an open and competitive market.

¹ Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, Greece, Hungary, Iceland, Ireland, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Sweden, Switzerland.

- ◆ To preserve and enhance European cultural diversity and its cinematographic and audiovisual heritage.

Operational objectives of MEDIA Training

- ◆ Strengthen the skills of European audiovisual professionals in order to improve the quality and potential of European audiovisual works. The programme shall support notably action in the following areas:
 - **Script-writing techniques:** enable experienced scriptwriters to improve their capacities to develop techniques based on traditional and interactive methods of writing.
 - **Economic, financial and commercial management:** develop the professionals' ability to grasp and integrate the European dimension into their work fields.
 - **Application of new technologies:** develop the professionals' capacity to use digital technologies, in particular in their work fields.
- ◆ Improve the European dimension of audiovisual training activities: encourage exchanges and cooperation, in supporting the networking between existing training institutions and partners of the professional sector and the training activities for trainers.

For the implementation of these objectives, particular attention will be paid to the specific needs of countries or regions with a low audiovisual production capacity and/or a restricted linguistic or geographical area, as well as to the development of an independent European production and distribution sector, in particular small and medium-sized enterprises.

1.3. Types of Activities

Training activities supported by the MEDIA Training Programme are mainly targeted at professionals of the European audiovisual industry. These activities must contribute to the implementation of the objectives set out in the above-mentioned point 1.2 in accordance with decision 1718/2006/CE of the European Parliament and of the Council of 15 November 2006.

Particular attention will be paid to the opportunities for distance learning and pedagogic innovation offered by the development of long distance learning systems using on-line technologies.

All training formats will be accepted. However, the promoter must take into account that the length of the training format should be appropriate for active professionals.

As an exception, certain initial vocational training measures in which the industrial sector is directly involved, such as masters' degrees, can also be supported if no other Community support is available and in fields for which there are no support measures at national level.

2. DEFINITIONS

For the purpose of this call for proposals the following definitions shall apply:

- **Beneficiary:** organisation, or partner organisations, benefiting of a MEDIA Programme grant.

Important remark: the promoter of the project might submit a proposal which include costs taken in charge by partners (i.e. local partners).

- ✓ The main promoter of the project will be the coordinator.
 - ✓ The partners ('co-beneficiaries') mandate the coordinator to act in their name in signing the **grant agreement with multi beneficiaries and coordinator**.
 - ✓ The coordinator and the co-beneficiaries will be considered as the *beneficiary* of the MEDIA Training grant. The costs incurred by the co-beneficiaries for the granted project will thus be eligible (if they respect point 7.3.2). The financial contributions to the project directly paid to the co-beneficiaries will also be eligible.
- **Budget Headings:** the headings of expenditure provided in the Forecast Budget. The headings of expenditure consist of "Personnel costs", "Operating costs", "Subcontracting costs" and "Overheads".
 - **Continued Vocational Training:** allows for professionals to adapt to changes in the industry by developing skills and knowledge of the sector.
 - **Contribution in kind:** non-financial contributions to the project originating from certain services or equipment/material supplied by the promoter or the partners. Within the framework of support from MEDIA Training, the contributions can only cover the rental costs of production and post-production equipment used for the production of an audio-visual work (a pilot, short film, shooting of specific sequences from a script, etc.)
 - **Duration of the Project:** duration of the activity including preparation and dissemination of results. The duration of the project is maximum 12 months.
 - **Eligible Costs:** the costs directly linked to the execution of the Project receiving support, as detailed below in Article 7.3.2. and incurred during the period as defined in the Agreement by the coordinator or his co-beneficiaries.
 - **Eligible Participant:** nationals from MEDIA programme countries
 - **Final Report:** the Activity report accompanied by the Final Financial report which provides details of the Eligible Costs incurred in the execution of the Project.
 - **Forecast Budget:** the detailed budget for the Project.

- **Format:** the training format is the physical size and composition of a training activity (number of days per sessions and number of sessions per year, internships included or not, etc).
- **Grant:** the financial support awarded to the selected applicant. This can be revised downwards upon reception of the final report on the basis of the total actual eligible costs.
- **Initial Vocational Training:** Allows the participants to receive a general, theoretical and practical training in view of obtaining a vocational qualification.
- **Matching Funds:** Sources of financing that match the MEDIA contribution. They include, "Own investment of the beneficiary", "Revenue from the Project", "Financing from the partners".
- **Non-national participant:** Participants coming from an eligible country and who are of a nationality other than that of the training promoter.
- **Note to the Forecast Budget:** the note attached to the Forecast Budget detailing the costs incurred under the various Budget Headings and establishing the direct link with the execution of the Project.
- **Participant:** Any professional of the audiovisual industry (apart from trainers and contractor's team personnel) selected to participate in the training activity.
- **Pedagogical Partner:** Any public or private organisation contributing to the content (conception, implementation) of the Project.
- **Project:** Training activity(ies) receiving financial support and covering the preparation and implementation stages as well as the evaluation and dissemination of results.
- **Promoter:** Film School, universities, training institutions, companies or professional organisations from the industry implementing the training activities.
- **The Programme:** means the MEDIA Programme (2007-2013).
- **Training Activity:** is defined by a specific content for a specific group of participants.

3. ELIGIBILITY CRITERIA

As a first step in the assessment and selection process, the Agency will check the applicants' compliance with the eligibility criteria. Failure to comply will result in exclusion of the application from the selection process.

3.1. Formal eligibility criteria

The formal eligibility criteria are:

- Compliance with the deadlines.
- An official application file duly signed and initialled on each page and 3 bound copies, as stated in the point 8.1.

Situations of exclusion

Applicants must certify that they are not in any of the situations described in Articles 93 & 94 of the Financial Regulations applicable to the budgets of the European Communities (EC Council Regulation, Euratom-n° 1605/2002 25 June 2002) set out below.

Applicants are excluded from participation in this call for proposals for the following reasons:

- they are bankrupt or entering bankruptcy proceedings, their business is administered by the courts, they have entered into an arrangement with creditors, they have suspended business activities, are the subject of proceedings concerning these matters, or are in a similar situation arising from an analogous procedure provided for in national legislation or regulations;
- they have been convicted of an offence concerning professional conduct by a judgment which has the force of res judicata;
- they have been guilty of a serious offence proven by any means which a contracting authority can justify;
- they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country where they are established or with those of the country of the contracting authority or of the country where the project is to be implemented;
- they have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- following another grant award procedure or procurement procedure financed by the Community budget, they have been declared to be in serious breach of contract for failure to comply with contractual obligations.

Applicants cannot receive a contribution if they are in one of the following situations while the grants procedure is in progress:

- they are subject to a conflict of interest;
- they are guilty of misrepresentation in supplying the information required by the Commission as a condition of participation in the relevant call for proposals or fail to supply this information.

Administrative and financial penalties may be imposed by the Commission on applicants found guilty of false declarations or who admit to a serious breach of their contractual obligations under a previous contract or call for tender, in accordance with the provisions of Articles 93 to 96 of the Financial Regulation.

In order to respect these criteria, the applicant must **sign a declaration of honour stating not to be in any of the situations set out in Articles 93 & 94**. This declaration is included in the Application Form I of the Call for Proposals 18/06.

3.2. Eligible applicant companies

Only applicant companies established and registered in a country participating in the MEDIA programme are eligible.

Countries participating in the MEDIA programme are the following:

- Member states of the European Union as of 1st January 2007 (including Bulgaria and Romania)
- Member countries of the European Economic Area (EEA) participating in the MEDIA programme (Iceland, Liechtenstein, Norway)
- Switzerland²

Applicant companies must belong to one of the following categories:

- Film and television schools;
- Universities;
- Specialised professional training institutions;
- Private companies from the industry;
- Specialised professional organisations from the industry.

Only grant applications submitted in writing by legal persons will be eligible. It should hence be noted that applications from **“natural” persons (i.e. individuals) will not be accepted**.

Broadcasters can be financial contributors, but not applicants.

3.3. Eligible Funding

The joint funding by the financial partners required to match the Community co-financing has to be duly justified by written, dated, signed and stamped commitments (Application Form point IXb.). Failure to provide these documents will lead to ineligibility of the proposed project.

² subject to the conclusion of a new cooperation agreement with this country in the framework of the MEDIA Programme

3.4. Eligible Target Groups

Professionals from the audiovisual industry, in particular:

- Producers
- Directors
- Writers
- Script editors
- Commissioning editors
- Distributors
- Exhibitors
- Sales agents
- New media content providers
- Professionals from the animation industry
- Professionals from post-production field
- Trainers

Professionals from legal, banking or financial sectors working with the industry are eligible target groups.

Training activities favouring multidisciplinary cooperation within the audiovisual industry are encouraged.

Applicant companies should ensure that a majority of the participants in a training activity are of a nationality other than that of the promoter.

3.5. Eligible Activities

Training initiatives designed specifically to develop competencies in the field of live recordings, TV games, talk shows, reality shows etc., or techniques exclusively linked to video games will be declared as ineligible.

Training activities applying for funding must address one of the following topics:

Training in new audiovisual technologies

Training activities aimed at developing the skills of professionals in digital technologies, in particular in the following fields:

Implementation of new technologies in audiovisual activities:

- Production (e.g. digital production, 3D animation, HDTV) ;
- Post-production e.g. visual/special effects;
- Distribution: new channels for distribution of films for TV and cinema;
- Marketing: using new media to promote audiovisual works(i.e. Internet, mobile phones);

- New markets (Internet, mobile phones, 3D Cinema...);
- Restoration and conservation technologies.

New (interactive) media

- Writing/conception for new media (interactive narration techniques);
- Pre-production for new media (conception, technology, including interface design and interactivity design);
- Production (technology, team management);
- Management (financing, legal issues, budgeting);
- Distribution (business models, billing systems, localisation /internationalisation);
- New technologies – new markets – new audiences (platform specific), e.g. DVD, internet, PC, ITV (with or without decoder boxes), multi platform, cross platform.

Training in economic, financial and commercial management

Applications must be for projects which are aimed at developing the capacity of audiovisual professionals to apprehend and integrate the European dimension in their work by improving expertise in the following fields:

- Business skills (such as management, accounting, marketing, pitching and presentation);
- Production;
- Distribution/exhibition
- Legal and financial aspects of co-production;
- Understanding international markets;
- Networking and accessing international markets.

Training in script-writing techniques

Applications must be for projects which target the enhancement of development skills for professionals working with audiovisual projects, notably in the fields of:

- Dramatic and visual writing techniques;
- Identifying target audiences;
- International standards of scriptwriting and script presentation;
- Creative collaboration between writers, script editors, producers, directors, DOPs.

4. SELECTION CRITERIA

The selection criteria must allow for verification of the applicant's financial and operational capacity to complete the proposed action or work programme.

4.1. Financial capacity

Applicants must have stable and sufficient sources of funding to maintain their activity

throughout the period during which the project is being carried out. The evaluation of this criterion will be based on the following documents:

- Profit and Loss account of the applicant company as well as a complete balance sheet for the last financial year *certified by an approved auditor*.
- The form concerning the financial capacity included in the application form (form V) duly signed and correctly filled in. The data (figures) presented will be based on the certified annual accounts of the last financial year for which accounts have been closed. The applicant assures that the figures are accurate and verifiable. This data is necessary for the evaluation of the applicant's Financial Stability and Operational Capacity.
- Bank identification sheet (form IIIa) duly completed by the beneficiary and certified by the bank (signatures required).

N.B. If on basis of the documents submitted, the Agency estimates that the financial capacity of the applicant is not proven or satisfactory, the Agency can :

- Refuse the request
- Ask for complementary information
- Demand a guarantee
- Propose an agreement for a grant without pre-financing

Guarantee

The Agency may request any beneficiary to produce a guarantee before any payment in order to reduce the financial risks involved in the payment of pre-financing contributions.

This guarantee aims to make the guarantor liable for all obligations of the beneficiary of a contribution. This financial guarantee, which must be made in Euro, is to be provided by a recognised financial or banking institution established in any of the European Union's Member States. However, when the beneficiary is established in a third country, the authorising officer responsible may agree that a bank or a financial institution established in that third country may provide the guarantee if he considers that the bank or financial institution offers equivalent security and characteristics as those offered by a bank or a financial institution established in a Member State.

Subject to prior agreement by the Agency, and at the request of the beneficiary, this guarantee can be replaced by the personal liability of a third party or the beneficiary involved in the agreement concerning the project.

The financial guarantee will be returned within 2 months upon final payment of the subsidy, conforming to the conditions set out in the agreement.

Audit

For actions where the costs to be financed exceed EUR 300.000, the application shall be accompanied by an external audit report produced by an **approved auditor**. That report shall certify the accounts for the last financial year available and give an assessment on the financial viability of the applicant. The approved auditor gives an assessment as to whether or not the applicant has stable and sufficient sources of funding to maintain his activity throughout the period during which the action is being carried out and to participate in its funding.

Background of the applicant organisation

The Agency reserves the right to not retain proposals from applicants who have not fulfilled their obligations with regard to agreements concluded within the framework of MEDIA II or MEDIA Plus or other community programmes.

Exemption

Verification of the financial capacity does not apply to public bodies and public educational institutions. If this is the case for the applicant, this must be mentioned on the application form I (Declaration of Honor).

4.2. Operational capacity

Applicants must prove their operational capacity to implement the activity by demonstrating:

- The human and technological resources available within the company (the CVs of the person(s) responsible for the project, showing all their relevant professional experience);
- A solid experience in organising training activities. e.g. this might be demonstrated by the experience of the managing director or head of studies working for the applicant institution, association, organisation or company;
- An extensive international network of contacts from the audiovisual industry.

Application files shall also include:

- The track record of the applicant company;
- Statutes of the applicant company (annex A);
- Copy of the official registration documents (annex A).

5. AWARD CRITERIA

The award criteria make it possible to assess the quality of the proposals submitted in light of the objectives and priorities set. The Agency will award grants within the limit of the budgetary resources available on the basis of the following weighted criteria.

Quality of the content of the activity	15 points
Expertise of trainers and tutors involved	5 points
Methodology	5 points
Partnership with the industry	15 points
International dimension	5 points
Quality of co-financing	5 points
Cost effectiveness	15 points
Innovation or Experience	15 points
Multiplier effect	15 points
Recruitment of participants	5 points
TOTAL	100 points

For proposed projects which contain two or several training activities the Commission reserves the right to refuse those activities which do not meet the award criteria.

5.1. Content of the activity

Quality of the content of the activity

Applicants should clearly describe:

- The **objectives** of their training project and the manner in which these meet the general objectives of the MEDIA Training Programme as stated in 1.2.;
- The **subjects and skills** taught and the logic behind such focus(es);
- The **innovative and distinctive nature** of the proposed project.
- The **target group** and why this specific target group was chosen (the level of skills and track record of participants must be described);
- The **professional benefits** the target group will gain from the training project proposed;
- The **long or short term effects** of the training in the professional practice of the participants.

Points awarded for this essential criterion will be further enhanced with the specific analysis of two complementary criteria:

Expertise of participating trainers and tutors

A high level of expertise is required from the trainers involved in the training activity. The trainers and tutors involved should be active professionals in the audiovisual industry. They shall have relevant experience and recent credits.

Applicants must also provide detailed explanations on the recruitment of trainers and tutors.

Methodology

Applicants should clearly explain how the proposed training will be delivered (format and methodology):

- Long-term or short-term training, type and number of modules.
- Training through projects in development, training with a project or training without a project;
- Workshops (residential or not), consulting sessions and/or internships, on-line sessions and/or on-line consulting;
- Lectures, case studies, role plays, group sessions, one-to-one meetings, screenings;
- Training targeted at teams of professionals or individuals;
- The size of the participant group and how the number of participants affects the proposed concept;
- The role of the trainers/tutors (how are the trainers/tutors involved in the project?)

Applicants must explain the reasoning behind their choice of format and methodology. They will also provide a course timetable.

5.2. Trans-national cooperation among professionals

Partnership with the audiovisual industry

Partnerships between training institutions and the audiovisual industry are mandatory. Applicants are required to clearly explain the involvement of the audiovisual industry in the proposed training activity. Involvement of the industry can be demonstrated in particular through:

- Evidence of a financial partnership. Co-financings from the audiovisual sector (whether from public funds or private companies) are indeed considered as proof that the training project is regarded as relevant by the industry;
- Evidence of a pedagogical partnership;
- An invitation to a festival or a co-production market (sponsoring of a stand or a specific event, etc.);
- The participation of decision makers at pitching sessions, organised at the end of a training activity;
- The co-financing and broadcasting/screening of short films/pilots produced during a training activity.

The partnership with the audio-visual industry can also find its expression through **internships** in companies. Please note that **internships** are considered as a complementary action of a given training activity and must therefore be preceded and/or accompanied by training sessions. The promoter of the training activity is responsible for the supervision of the content of the traineeship and has to ensure that the trainees can benefit from the concrete co-operation with managers and employees in the company.

Points awarded for this essential criterion will be further enhanced with the specific analysis of two complementary criteria:

International Dimension

Proposed training activities will have to offer an international dimension, which will be assessed on the basis of the following criteria:

- A majority of participants attending the training activities will be of a different nationality than the promoter. This majority of non-national participants must be effective for **each training project** proposed by the applicant company;
- An international team of trainers and tutors;
- In the conception and/or implementation of the activities the promoter will co-operate with partners from other countries. These partners must be identified and their role must be described in the application;
- An international strategy for the promotion.

Quality of co-financing

Special attention will be paid to the fund raising strategy elaborated by the applicant company for the submitted project.

5.3. Cost effectiveness of the project

Applicants should pay particular attention to the cost effectiveness of the project. All forwarded costs should be reasonable in the context of the goals and benefits of the project.

The Agency reserves the right to reduce any cost, either in the award or subsequent payment procedures, which is not consistent with average market prices for the item or service or which cannot be justified by the benefits generated for the project.

The evaluation of this criterion will be based on the analysis of the forecast budget and of the note to the forecast budget.

5.4. Adapting the training sector to market trends

Innovation or Experience

Please develop one of the two following points:

- Training projects, which have not been previously supported by MEDIA:

Applicants from new training projects are required to demonstrate that their activity is complementary to the existing MEDIA training offer. Innovative methods of

training are welcome and particular attention will be given to new experimental training projects.

Applicants are required to clearly describe the innovative aspects of their proposal.

- Training projects that have benefited from MEDIA in the past:

The success of training projects which have been supported by MEDIA in the past will be assessed on the basis of elements provided in the proposal.

These elements will allow the Agency to measure the results of the training projects, particularly with regards to the objectives targeted (e.g. participant selection rates, projects in production, professional cooperation among participants etc...).

Moreover, if adjustments to new industry needs are relevant, applicants are required to clearly describe how their project has been updated compared with previous editions and the reasoning behind their choice of modifications.

Multiplier effect

The dissemination of results of the training activity is an essential element of the supported project. Applicants must provide clear explanations on how this multiplier effect will be achieved. For instance, beneficiaries of the MEDIA training programme must ensure the follow-up of their participants after the training activity and inform the audiovisual industry and the Agency on projects entered into production.

Applicants shall have a website dedicated to the supported training activity. This website will be used as an information tool enabling participants as well as other professionals belonging to the audiovisual industry to benefit from the content of the training activity.

5.5. Recruitment of participants

Applicants must provide clear explanations on the recruitment procedures of participants (how they reach the target group) and of the scholarships' allocation, and must also explain the reasoning behind their choice of recruitment procedures (assessment of the level of expertise, written and/or oral tests or interviews ...)

6. FURTHER OBLIGATIONS

6.1. Scholarships

Promoters are required to provide scholarships to participants. **These scholarships should correspond to at least 15% of the total number of participants** and cover **at least** the

participation fees. It is recommended that they also cover expenses for travel and subsistence.

This requirement will be carefully verified at final report submission stage. The final report of the activity will include scholarship forms filled in and signed by the scholarship holders, stating the expenses covered by the promoter.

In order to facilitate the cooperation between all European professionals the promoters must offer at least one third of the scholarships to professionals from the 12 new member states.

To maintain the principle of equal treatment, it is recommended not to give scholarships to participants who have already received a grant from a national organism for the same training activity. In case of doubt, the promoters are encouraged to ask the MEDIA Desks for advice on participants coming from their country.

6.2. Cooperation with other training activities

Cooperation between different MEDIA supported training activities with a view to allow the exchange of know-how and of best practices is mandatory.

7. FINANCIAL GUIDELINES

7.1. Basic rules for Community funding

Community Subsidies exist to encourage the implementation of projects which operate thanks to the principle of co-financing. The Agency completes financing undertaken by the applicant, national, regional, etc, public funding and private sponsorship.

Community co-financing of the costs shall be provided generally up to a limit of 50% of the total eligible costs incurred by the applicant. This percentage may be raised to 60% for Training Activities in countries or regions with a low production capacity and/or a restricted linguistic and geographical area.

The Commission is not bound by the sole act of selecting a project to agreeing to the level of financial support requested. The amount of Community financial support is determined on the basis of the cost and nature of each project submitted in accordance with the award criteria set out in section 5 above and shall take the form of a grant. The allocated amount may not exceed the amount requested.

The budget for the project, attached to the application, must have revenue and expenditure in balance and show clearly the costs which are eligible for financing from the Community budget

The total budget for the Call for Proposals 18/2006 is 4.34 million Euros.

7.2. Financial guidelines

Distinction between eligible and non-eligible costs

The forecast budget submitted in the application file must only state eligible costs (see definition below point 7.3) and acceptable contributions in kind.

Furthermore, applicants are required to declare on Form IV (description of the project) the total forecast costs for the execution of the project (i.e. an amount including eligible and non-eligible costs).

For sake of clarity, an explanatory note on ineligible costs (*i.e. costs which are not stated on the forecast budget*) may be attached to the file if the applicant organisation considers that it contributes to a better understanding of its activities by the evaluation committee.

Forecast Budget:

The Forecast Budget will form an integral part of the grant agreement.

The Forecast Budget must be presented as set out in the Application Form and in compliance with the following procedures:

- The forecast budget will be sub-divided into the headings and sub-headings proposed in the budget form.
- Total revenue and total expenditure must be equal amounts.
- The total amount and the request for financial support submitted to the MEDIA programme must not be expressed in decimals (rounded figures only).
- Amounts shall be expressed in EURO;
 - ◇ Applicants from States which are not members of the Euro Zone must apply the rate of exchange published in the Official Journal of the month during which the Forecast Budget is submitted.
 - ◇ This exchange rate is available from the MEDIA Desks and Antennae or from the Commission web site³.
 - ◇ The exchange rate must be stated on the forecast budget.

Note to the forecast budget

³ <http://europa.eu.int/comm/budget/inforeuro/index.cfm?Language=en>

The note to the forecast budget is an essential element for the evaluation of the award criteria, especially for the assessment of the cost effectiveness of the project. The applicant organisations have to explain the reasoning behind the amounts stated in the Forecast Budget.

- **Each** heading and **each** budget sub-heading must be detailed in the "Note to the Forecast Budget". The applicant organisation is also encouraged to explain his price negotiation strategy and price reduction achieved. This will be seen as a positive indication of the promoter's investment in the project.
- In the note to the Forecast Budget, applicants must indicate unit prices and number of units. This note must be sufficiently detailed to allow identification and control of the proposed activity.
- Amounts higher than 10 000 euros will require an appropriate justification in the note to the Forecast Budget.
- The presentation of the Note to the Forecast Budget will be identical "heading by heading" to the Forecast Budget.
- In the event that costs such as Personnel costs or Overheads are distributed over one or more projects, a detailed justification for such distribution must be included in the Note to the Forecast Budget.

7.3 Costs linked to the project

7.3.1 Period of the eligibility of the costs

The period of eligibility of costs will be adapted according to the nature and duration of execution of the project (preparation, implementation and follow-up). The duration is stipulated in the Agreement to be entered into with the Executive Agency – Education, Audiovisual and Culture.

When the nature of the project requires and upon formal request by the applicant, the preparation costs incurred before the signature of the agreement with the Agency can be considered as eligible (**applicants must tick the appropriate box on form IV**). In any case, the period of eligibility of costs cannot start more than 4 months before the signature of the agreement by the Agency (around 15 November 2007).

7.3.2 Eligible expenses

Costs which are considered as eligible are those which are:

- necessary for the implementation of the project and directly linked to it, written in the provisional budget attached in the agreement, reasonable and in conformity with the principles of sound financial management and cost-effectiveness;
- incurred during the eligible period of costs as defined in the agreement;
- actually incurred by the applicant, registered in the beneficiary's accounts in accordance with the relevant accountancy principles, and declared according to national financial and social security regulations;
- identifiable and verifiable on the basis of justifying documents.

The beneficiary's internal accounting and auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the project with the corresponding accounting statements and supporting documents.

N.B:

- Costs assigned to a specific budget heading in the application form must be assigned to this very same budget heading in the final accounts.
- The beneficiary shall ascertain from the competent national authorities the provisions, rules and legislation governing the taxation of training activities in their countries.
- VAT cannot be charged to the project unless it is a final charge, i.e. a charge that is not deductible and cannot be recovered by the Promoter. If necessary, beneficiaries will submit to the Agency proof of their VAT status (annex E).
- A beneficiary of a community support is obliged to maintain a clear analytical accounting system for the costs of the supported project. This accounting and classification system will facilitate the verification and certification of the final costs by the approved external auditor necessary for the payment of the financial contribution. The independent audit of all final accounts is mandatory.

7.3.3 Ineligible costs

The following expenses are ineligible:

- Unnecessarily high or unjustified expenses;
- Costs covered by contributions in kind,
- Expenditure for participants from countries not participating in the MEDIA Programme;
- Civil servants salaries and expenses;
- Purchase of equipment (depreciation costs for the specific duration of the Training Activity are considered eligible);
- Fixed capital costs;
- Interest paid;

- VAT, unless the beneficiary can show that he is unable to recover it;
- Debts owed and bad debts;
- Expenditures unrelated to the execution of the Project;
- Excessive, outrageous or ill-considered expenses;
- Exchange rate losses;
- General provisions (for losses, possible future liabilities, etc.).

The Agency will pay particular attention that the tuition fees and personnel costs are not excessive or ill-considered.

The following paragraph (7.3.4.) describes the eligibility costs

7.3.4 Description of Budget Headings

For the project including several activities, the promoters must submit

- A Forecast Budget per activity
- A Forecast Budget and the note to the Forecast Budget for the whole Project

Budget Headings are the following:

1. Personnel Costs
2. Operating Costs
3. Sub-contracting costs
4. Overheads

1 - Personnel Costs

The personnel costs shall be calculated on the basis of the actual daily salary of the employee, multiplied by the number of days devoted to the *project*. Where applicable, this figure will include all the usual contributions paid by the employer, such as social security contributions, but shall exclude any bonuses, incentive payments or profit-sharing schemes.

The Personnel costs shall be substantiated by detailed timesheets of the work done included in the Final Report. The daily salary will be based on the average salary charged at national level for qualified personnel executing comparable tasks.

Common rules:

- Personnel costs should not exceed 25% of the total eligible costs.
- The maximum number of days per year per person is 220.
- Senior employees and directors shall be identified by name in the Note to the Forecast Budget.

2 - Operating costs

This Budget Heading consists of the following Sub-headings:

- 2.1 Travel and subsistence costs
- 2.2 Expenses for workshops/seminars
- 2.3 Expenses for distance learning tools
- 2.4 Advertising and promotion
- 2.5 Distribution of results

2.1 - Travel and subsistence costs

The costs specified under this heading are related to

- travel and subsistence costs for the promoter's employees
- travels directly linked to the *Project* and corresponding to specific and clearly identifiable activities.

The destination of the travel costs as well as the number of days forecast and the name of the persons travelling should be mentioned in the note to the Forecast Budget.

The number of journeys and the number of days spent travelling must be reasonable with regard to the objectives of the promoter for the proposed project. The Agency considers as reasonable a stay of no more than 4 days, unless duly justified by the promoter.

Accommodation and subsistence costs can not be in excess of the scales accepted by the Commission and published on the following website:

http://ec.europa.eu/comm/europeaid/perdiem/pd_07_2006.pdf

If there is no overnight stay, the amounts are reduced by 50%.

If the internal regulation of the institution applying for a MEDIA Training grant imposes a lower limit than the scales accepted by the Commission, the lower limit must be used as a basis of calculation.

Common rules:

- Air travel : only economy class tickets will be eligible
- Car travel: the eligible amount will be limited to the amount corresponding to the price of a 1st class train ticket.

These conditions apply also for travel and subsistence costs for participants and trainers (cf.2.2 below).

2.2 - Expenses for workshops/seminars

Costs specified under this *Budget Sub-Heading* relate to rental of conference rooms and of computing and technical equipment, trainers fees, trainers and participants travel costs, educational material costs.

2.2.1 Conference room rental

The costs for conference rooms of the promoter's own venue are not eligible costs.

However, the applicant companies are encouraged to mention it in the note to the Forecast Budget since it will be seen as a positive indicator for the evaluation of the cost effectiveness criterion.

In other cases, the cost for conference rooms shall be broken down into cost per day and number of days in the note to the Budget. In the event that more than one venue is used, each venue must be specified separately.

2.2.2. Equipment rental

With regard to expenses for audiovisual, computing and technical equipment, only the cost of rental, leasing and depreciation of such equipment for the specific duration of the training activity will be considered eligible.

In-kind contribution

Exceptionally, the rental of production and post-production equipment for the production of a work (pilot, short film, shooting of specific sequences from a script, etc.) within the framework of the project can be covered with in-kind contributions.

These expenses must be stated separately in the forecast budget under "B- Costs in Kind". This heading **is not included in the total of the eligible costs** but is taken into consideration in the calculation of the MEDIA contribution.

2.2.3 and 2.2.4. Travel and subsistence for participants and trainers

For limits on travel and subsistence expenses, please refer to point 2.1 above.

2.2.5. Local transport

Type of transport: the type of transport and transport expenses must be specified in the note to the Budget.

N.B. Per diems mentioned in point 2.1 must cover all expenses for the person and date designated. Promoters using the monetary limits are thus not authorised to include taxi costs in this budget sub-heading.

2.2.6. Third Party assistance: Tutor's fees

These expenses relate to fees paid to trainers/tutors for the preparation of the training (including preparation and updating of educational material) and the implementation of the training activity.

Trainers shall be identified nominally in the note to the Budget and the costs justified.

The applicant company may also include under this sub-heading training coordinator tasks that are **strictly** educational if these tasks are defined in detail and the number of budgeted days is reasonable.

The Agency reserves the right to request further explanations and exclude some expenses from the eligible Budget if the time / money allocated are not in line with the executed activity.

2.2.7. Learning tools

Costs for didactic materials may comprise all expenditure other than the development costs for preparing and updating the didactic material and may be linked to the reproduction of printed, and/or electronic forms of teaching material. These costs shall be duly substantiated and the direct link with the execution of the Project must be clearly established in the Note to the Forecast Budget. Up-dates of existing didactic material are allowed and must be mentioned as such.

2.2.8. Scholarships

Scholarships awarded to Participants and covering their travel and subsistence costs shall be accounted for separately under this Budget Sub-Heading 2.2.8. Where different workshops/seminars are included, costs shall be broken down by workshop/seminar.

N.B. Scholarships granted must cover participation fees (cf point 6.1). However, only expenses linked to travel and subsistence costs can be indicated in the Forecast Budget (participation fees cover costs already mentioned elsewhere in the budget under different headings).

2.3 - Distance learning tools

Costs specified under this Budget Sub-Heading will exclusively relate to distance learning activities directly related to the execution of the project.

These costs cover connection time, consultation of or links to databases and acquisition of software. These costs are directly relevant to the project. Certain hardware costs, provided they concern rental, leasing and depreciation of equipment, may be admissible.

Costs for computers and internet use etc, which do not concern distance learning tools, must be detailed in the relevant part of the Forecast Budget. The link between the costs specified in 2.3 and the project content must be clearly established in the 'Note to the Forecast Budget'.

2.4 - Advertising and promotion

Costs specified under this Budget Sub-Heading shall exclusively relate to advertising and promotion of the project through the appropriate media. Advertising costs may comprise all

expenditure linked to design, lay-out and publication as well as to the buying of advertising space in the professional press and on the Internet.

Applicant's attention is drawn to the fact that a promotional network of Media Desks has been provided for the Media Programme. The Agency reserves the right to refuse unnecessarily high expenses arising from the failure by the applicant to make the best use of this network.

2.5 - Dissemination of results

The costs specified under this Budget Sub-Heading exclusively relate to the publication of the results of the Training Activity, **with the exception** of the didactic material, that will be specified under 2.2.7 above.

All necessary explanations shall be stated in the Note to the Forecast Budget.

3 - Sub-contracting costs

Where implementation of the project requires sub-contracting or the awarding of a procurement contract, the beneficiary and, where applicable, its partners must obtain competitive tenders from potential contractors and award the contract to the bid offering best value for money, observing the principles of transparency and equal treatment of potential contractors and taking care to avoid conflicts of interests.

The costs specified under this Budget Sub-Heading relate to the amounts paid to third parties carrying out a specific one-off task in connection with the project.

The following costs may be included under this Budget Sub-Heading: translation, interpretation, printing costs and certain accounting services.

Sub-contracting costs are accepted only if the Beneficiary does not have the skills required. **Subcontracting costs must be substantiated by receipted invoices.**

All necessary explanations shall be stated in the Note to the Forecast Budget.

4 - Overheads

The costs specified under this Budget Heading relate indirectly to the implementation of the project but do not fall into any of the above-mentioned categories. These costs should be in line with the principles set out in this guide.

Overheads **may not exceed 7%** of the total eligible costs of budget-headings 1 + 2 + 3. They are presented as a flat rate.

7.4 Sources of income

All financial contributions must be substantiated by clear statements (forms IXa and IXb), specifying the amounts and the fact that they will be provided in cash (or acceptable in-kind contributions).

The income side of the Forecast Budget should show:

- The direct monetary contribution from the applicant's own resources;
- Any income generated by the project (e.g. fees charged to participants, revenue from sales of publications etc.).
- The financial contribution from other fund providers (public and/or private);
- The contribution applied for to the MEDIA Training Programme.

Contributions in kind

Contributions in kind shall not constitute eligible costs. However, in duly substantiated exceptional cases, the Agency may accept that the co-financing of the project should be made up in part of contributions in kind. In this case, the value calculated for such contributions must not exceed:

- the costs actually borne and duly supported by accounting documents of the third parties who made these contributions to the beneficiary free of charge but bear the corresponding costs;
- the costs generally accepted on the market in question for the type of contribution concerned when no costs are borne.

Within the framework of the Call for Proposals 18/2006, only contributions in kind, which cover the rental costs of production and post-production equipment used for the production of an audiovisual work (a pilot, short film, shooting of specific sequences from a script, etc.) can be accounted for in the calculation of the MEDIA contribution, provided that they do not exceed 15% of the total amount of eligible costs.

All costs covered by contributions in kind must be mentioned under the appropriate heading and separately from the eligible costs in the forecast budget.

8. PRESENTATION AND SUBMISSION OF PROPOSALS

8.1. Procedure for Submitting a Proposal

The procedure for submitting an application for support under the MEDIA Training Programme is the following:

Applicants are required to present

- A complete application file duly signed and initialled on each page.

- **3** bound copies and **1** cd-rom including the following items of the application file:
 - ◇ Point II : Applicant company identification sheet
 - ◇ Point IV : Project identification sheet
 - ◇ Point VII : Summary of the project
 - ◇ Point X : Note to the budget
 - ◇ The forecast budget
 - ◇ The financing plan
 - ◇ Annex D :
 - ✓ Staff available for the project and job descriptions
 - ✓ List of the names of tutors/trainers involved in the project with a brief description of their professional background
 - ◇ Annex C : A detailed course timetable

Please comply with the following procedures:

- All pages of the original application form must be initialled.
- The declarations must be signed by the authorised signatory of the submitting organisation.
- Respect of the application form as given is mandatory.
- Applicants are requested to submit a **separate budget** for **each** proposed training activity.

8.2. Schedule

Submitting Application Files

Proposals must be sent by registered mail by deadline **09/03/2007** - postmark will be proof of timely sending - to the following address:

Education, Audiovisual and Culture Agency (EACEA)
Unit MEDIA Programme – P8
Mr. Constantin Daskalakis
BOUR 03/30
Avenue du Bourget 1
B -1140 Brussels, BELGIUM

Applications delivered by hand or by express courier must be delivered at the latest by **09/03/2007** before 15.00 hours to the address indicated above.

- For applications delivered by hand, the date of reception by the services of the Agency will be proof of timely receipt.
- For express couriers, the date of delivery to the express courier company will be proof of timely sending.

All envelopes should be clearly marked "MEDIA – TRAINING 18/06"

Selection of the projects

The selection results will be published on the MEDIA website the week following the grant award final decision.

The signature of the grant agreement by the Beneficiary and the Agency will take place once all administrative procedures are finalised, which is expected to be by November 2007.

9. AGREEMENTS AND PAYMENTS

9.1. Agreements

The agreement will indicate the level of the grant awarded and will set out the financial rules to be applied. Payments are usually made in instalments.

At the commitment stage, the applicant will be able to choose between two types of annual contracts:

- Grant agreement for an action
- Grant agreement for an action with multiple beneficiaries and coordinator

The grant agreement for an action with multiple beneficiaries and coordinator is to be used for projects led by a promoter, but executed by several partners (local partners for instance). In this case, the costs incurred by the partners ("co-beneficiaries") for the granted project will be eligible (according to definition in point 7.3.2).

The "co-beneficiaries" mandate the coordinator to act in their name in signing the grant agreement with the Agency. The "co-beneficiaries" shall also keep at the Agency's disposal all original documents relating to the agreement and agree that the Agency may audit the costs related to the granted project.

Standard models of the two proposed agreements can be downloaded on the following website: http://ec.europa.eu/avpolicy/media/index_en.html.

Only projects with matching funds committed for the whole duration of the agreement will be considered.

The Agency will publish the name and address of the promoter, the subject of the grant and the amount and the rate of financing. This will be done, in agreement with the beneficiary, and unless publication of the information may threaten the safety of the beneficiary or harm their business interests.

The duration mentioned in the agreement will take into account the duration of the project as proposed by the applicant + three months during which the beneficiary must submit a final activity report and a final statement of accounts.

9.2. Payments and reports

The bank account specified in the Application forms must enable any Agency contribution to be identified. If the contribution paid into this account generates any interest or equivalent profit (under the relevant national law of the country in which the account is based), the beneficiary must, upon submission of the Final report, declare this interest resulting from any pre-financing. The interests or equivalent profit must be recovered by the Agency when the contribution balance is paid.

Terms of payment

Payment arrangements will be laid down in the agreement. In general, the payments of the Community's contribution are made as follows, in two instalments:

- A first pre-financing payment of 60% of the total financial support within 45 days of signature by the two parties of the contract between the Agency and the beneficiary;
- The remaining part of the financial support following the presentation and acceptance by the Agency of the Activity Report and a Final Financial Report giving detailed breakdowns of the final costs and revenues of the project
 - ◇ The Final Financial Report must be duly certified by an approved external auditor;
 - ◇ The Final Financial Report will form the basis for the calculation of the final payment to be made on the beneficiary account.
 - ◇ The amount of this contribution depends on real eligible costs incurred by the beneficiary and the levels of co-financing ultimately obtained.
 - ◇ Should actual eligible expenses incurred by the beneficiary for the implementation of the project be lower than the costs foreseen in the provisional application budget, the beneficiary will be required to reimburse any surplus already paid by the Agency as pre-financing payment.

Under no circumstances may the contribution of the Agency give rise to a profit for the beneficiary. Any profit will result in a proportionate reduction to the contribution finally awarded. The beneficiary is also committed to carrying out the project as presented in the application form.

10. CONTACTS

For any further information please contact preferably the MEDIA Desks and Antennae (addresses list on http://ec.europa.eu/avpolicy/media/index_en.html)

Or

EACEA – Education, Audiovisual and Culture Executive Agency

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MEDIA Training Programme

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