



Operating grants 2020 to EU level networks having signed a framework partnership agreement for the period 2018-2021 under EaSI and REC programmes (calls VP/2019/013 and VP/2019/014)

Q&A related to coronavirus situation

Last update: 11/05/2020 (version 2)

- You will find below a list of questions and answers in relation to the impact of coronavirus on the financial management of operating grants (this Q&A concerns ONLY the calls VP/2019/013 and VP/2019/014);
- Please send any additional question to the relevant call's functional mailbox (always stating the "VS" reference number) with your responsible policy coordinator in copy;
- As usual, please keep your responsible policy coordinator informed of any impact on the implementation of your work programme.
- The information below reflects the information currently available and is based on the measures taken by the Commission so far. These measures are valid until further notice from the Commission.

Calls mailboxes:

EMPL-CALL-EASI-SOCIAL-INCLUSION@ec.europa.eu

EMPL-CALL-REC-DISABILITY@ec.europa.eu

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Q1. Can costs related to cancelled or postponed events be eligible?

Yes, the circumstances and conditions are detailed in the communication sent to beneficiaries on 25/03/2020:



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s Crisis - Letter to EaS

Q2. Could we (a beneficiary) (1) submit equipment/license costs to be able to work from home on a large scale and organise large meetings via live video and streaming; (2) reasonably participate to the costs of our members to make such new way of communicating possible?

The questions you raised on the eligibility of costs related to the purchase of equipment and licenses concern the following article of the grant agreement:

4.2.2.4 Administration costs (Heading 4 of the budget form)

Depreciation for purchase of equipment¹¹: the purchase cost of equipment or other assets (new or second-hand) is eligible provided that it is written off in accordance with the international accounting standards and the beneficiary's usual accounting practices and has been purchased in accordance with the procurement rules indicated above. **Only the portion of the equipment's depreciation corresponding to the period of eligibility for EU funding covered by the grant agreement and the rate of actual use for the purposes of the work programme may be taken into account by the Commission.**

The answer will therefore depend upon how you usually record the purchase of equipment (and in particular of the one you intend to acquire in this case) in your official accounts. This should be confirmed by your accountant.

In the case of equipment:

- If you normally depreciate the cost of that kind of equipment in your official accounts, only the part of the depreciated amount corresponding to the period of the work programme and rate of actual use for the purpose of the work programme can be eligible;
- If the cost of that kind of equipment is usually fully expensed in the year of acquisition in your official accounts, the entire amount would be eligible.

Similarly as regards licenses, eligibility will depend whether this kind of cost is usually depreciated or not in your official accounts.

Finally, the participation to the cost of your members is unfortunately not possible as only the cost of the beneficiary is eligible (unless the beneficiary remains the owner of the equipment).

Q3. Considering the difficult situation, is it necessary to introduce budget related changes in SWIM if the changes on the operational side can be accepted by exchange of registered e-mail?

In theory, a registered email is sufficient only in the following situation:

Adjustment of the estimated budget by transfers between the different budget categories for changes of a non-substantial nature **and** if the transfers have no impact on the total eligible cost of the Grant Agreement.

In the current situation, it is most probable that the changes to the work programme will have an impact on the total eligible cost (e.g. reduced budget due to cancellations).

As an exceptional measure, the following procedure will be applied:

- The Commission may approve the changes to the work programme and the expected budget impact by exchange of e-mails;
- At the end of the year, the beneficiary will report the real costs in SWIM, explaining the reasons for the differences by referring to the agreement by exchange of emails with the Commission.

Q4. Can we benefit from an increased co-financing rate?

This question was carefully considered and it is unfortunately not possible to increase the co-financing rates. Beyond the fact that they are set in the grant agreements signed for the work programme 2020, there are other financial, operational and legal reasons that make this option impossible.

Q5. Is there any solution to support the beneficiaries of operating grants coping with the current situation?

The Commission services have assessed the other possible options and decided that beneficiaries of these operating grants are exceptionally allowed, for their work programme 2020, to :

- modify their work programmes (with changes of non-substantial nature) to replace or adjust events that are impacted by the current COVID19 crisis (see question 3 above for the process);
- replace the “savings” related to non-incurred costs (e.g. travel costs of cancelled events) by other costs that also serve the purpose of the work programme but that were initially not included. The principle of no-double funding must of course still be respected (see question 3 above for the process).