



Guidelines for Request of Balance Payment

Grants for an Action

GUIDELINES FOR REQUEST OF BALANCE PAYMENT GRANT FOR AN ACTION

1) INTRODUCTION

In order to support you in the preparation of your request of balance payment you will find in this document some guidance to ease and speed up the processing of your request of payment. This is important, as a harmonized approach saves time for both the Executive Agency and main beneficiaries, avoiding resubmissions of documents.

The sections 'Reporting per Expenditures Category' and 'Reporting per Incomes Category' of this document outline the reporting requirements in each category. They are expected to be followed closely.

2) GENERAL REMARKS

When reporting costs, the resulting statement should follow the structure of the estimated budget of the Grant Agreement. Recommended templates of tables are annexed to these guidelines. It is necessary to ensure that these tables are filled so that they show the same total figures. Also only **actual costs** occurred during the implementation of the project (different from budgeted or estimated costs – see details of Art. II.14 of the contract) are to be included. Regarding actual costs, please note that by such costs is meant eligible and non-eligible costs. Non-eligible costs are limited to the costs provided for in the estimated budget of the grant agreement.

Any conversion of actual costs into euros shall be made at the monthly accounting rate established by the Commission and published on its website for **the first day of the month following the end of the reporting period**.

Link: <http://ec.europa.eu/budget/inforeuro/index.cfm?fuseaction=home&Language=en>

On the income side, all the actual income of the project should be reported. This may be income generated by the project, own contribution or third party funding, and of course the Commission funding. Revenue that has not yet been collected but which has been generated or for which the beneficiary has a written confirmation on the date of the request for payment of the balance is established is to be included. It is crucial that the **cost and income sides are balanced**. If this is not the case, the Executive Agency is not in a position to make a payment.

When submitting these tables electronically, it is essential to use Excel format. This facilitates the Executive Agency's work in verifying the calculations. However, it is not advised to use many automatic links in the workbook, since should the links be broken the calculations may become altered.

3) FORMAL PAYMENT REQUEST AND ANNEXES

In order to initiate the payment procedure a formal and original payment request must be sent to the Executive Agency with the relevant documentation **in one single package**. Please consider that the agreement contains concrete time limits to submit such reports. Note also that electronic and/or partial version will be not accepted.

In accordance with the contractual provisions of the grant agreement you have signed with European Commission we would like to draw your attention on the following points:

- **The formal payment request must be duly dated and signed by the main beneficiary's authorised representative** - see template next pages.
- The following **documentation needs to be annexed** to your payment request:
 - I. Final technical reports, and if necessary deliverables and other documents drawn up in accordance with the relevant provisions of the grant agreement which are not yet submitted to the Executive Agency at the date of establishment of your payment request;
 - II. Final Financial statement presented in the relevant format and duly signed by the main beneficiary's authorised representative (or accounting officer) - see recommended templates;
 - III. Original "Individual Certificate of costs" issued by all beneficiaries (main and associated) and signed by each beneficiary's authorised representative accompanied by relevant annexes - see recommended template;
 - IV. Where required by the terms of the agreement, an audit certificate on the financial statements and underlying accounts;
 - V. Others

We kindly remind you that only the following supporting documents need to be provided with your payment request:

- Prior approval given by Project Officer for travels outside EU and Candidate Countries.
- Invoices related to Equipment
- Invoices related to Subcontracting costs
- Relevant documentation related to "Income generated", "External resources" and "Other current funding applications" (if any)

Any other supporting documents have not to **be sent** with your payment request but they could be requested upon request in case of further verifications or audits. These documents are:

- Time sheets and salary slips
- Invoices related to Travel costs
- Invoices related to Subsistence allowances
- Invoices related to Consumables and supplies directly linked to the project
- Invoices related to Other costs

4) REPORTING PER EXPENDITURES CATEGORY



E1. Staff Costs

It is important that the report for staff costs contain the following elements.

- Acronym of beneficiary organisation
- Country code
- Name of the person being paid

- Function/Category
- Number of days worked for the project
- Daily rate for the person
- Total amount paid (= Number of days x daily rate)

⇒ The Public Officials should be similarly identified in the report.

	<i>Comments</i>	Timesheets and salary sheets could be requested upon request in case of further verifications or audits <u>but they have not to be provided at this stage</u>
	<i>Supporting documents to be annexed to your payment request</i>	None

E2. Travel Costs and Subsistence Allowances

The following elements are mandatory when reporting Travel Costs and Subsistence Allowances:


Travel costs


- Acronym of beneficiary organisation
- Country code
- Name of person travelling
- Purpose and dates of travel
- Means of transports (plane, car, boat, ...)
- Place of departure (city, country)
- Destination (city, country)
- Cost of travel

Subsistence Allowances

- Acronym of beneficiary organisation
- Country code
- Name of person travelling
- Purpose and dates of travel
- Destination (city, country)
- Number of days
- Cost of the daily allowance (to be checked against the table in the contract)
- Cost (= Number of days x Cost of daily allowance)

⇒ Only travels done by staff listed under "E1. Staff" can be reported in these categories. Otherwise please see "E6. Other costs" category.

	<i>Comments</i>	Travels outside EU and Candidate Countries require prior approval before the costs can be accepted as eligible
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	<i>Supporting documents to be annexed to your payment request</i>	Copy of prior approvals from the Executive Agency for travels done outside EU and Candidate Countries
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E3. Equipment

The report should contain a detailed list of equipment purchased for the project. The following details should be listed:

- Acronym of beneficiary organisation
- Country code
- Name of supplier
- Description of the equipment
- Date of purchase
- Purchase price
- % allocation of equipment linked to the project (if not 100%)
- Total amount of the depreciation



Depreciation

The principle of depreciation is covered in the Contract Article II.14.2. In the case the beneficiary is not able to provide proof of own depreciation rule, the Commission rules should apply as follows:

- ◇ Hardware expenses depreciated over 36 months
- ◇ Purchase of software depreciated 100%
- ◇ Furniture depreciated over 5 years
- ◇ Equipment (photocopiers, fax, etc.) depreciated over 36 months

Examples for project of 36 months (M1 to M36)



Equipment	Price of purchase	Date of purchase	Depreciation rule 36 or 60 months	Number of months of depreciation	% allocation to project	Amount of depreciation
PC	5.000,00	M1	36	36 = From M1 to M36	100%	$5.000,00 \times 36/36 \times 100\% =$ 5.000,00
PC	5.000,00	M1	36	36 = From M1 to M36	75%	$5.000,00 \times 36/36 \times 75\% =$ 3.750,00
PC	5.000,00	M7	36	30 = From M7 to M36	100%	$5.000,00 \times 30/36 \times 100\% =$ 4.166,67
PC	5.000,00	M15	36	22 = From M15 to 36	100%	$5.000,00 \times 22/36 \times 100\% =$ 1.222,22
Fax	3.000,00	M1	60	36 = From M1 to M36	100%	$3.000 \times 36/60 \times 100\% =$ 1.800,00

	<i>Comments</i>	Project references such as project acronym or contract number need to be indicated on invoices related to this category.
	<i>Supporting documents to be annexed to your payment request</i>	Copy of invoices.

E4. Consumables and Supplies

The costs reported under "E4. Consumables and Supplies" should have a direct link with the project. This is normally ensured by having an invoice with a reference to the project. The report should contain a detailed list of items purchased for the project. The following details should be listed:



- Acronym of beneficiary organisation
- Country code
- Name of supplier
- Description of item
- Purchase price

	<i>Comments</i>	<p>- Project references such as project acronym or contract number need to be indicated on invoices related to this category.</p> <p>- Invoice could be requested upon request in case of further verifications or audits <u>but they have not to be provided at this stage</u></p>
	<i>Supporting documents to be annexed to your payment request</i>	None

E5. Subcontracting

The following details should be listed:

- Acronym of beneficiary organisation
- Country code
- Name of subcontractor
- Description of tasks subcontracted
- Total amount of invoice(s)

	<i>Comments</i>	Project references such as project acronym or contract number need to be indicated on invoices related to this category.
	<i>Supporting documents to be annexed to your payment request</i>	Copy of invoices

E6. Other Costs



It is important to note that the costs reported under the "E6. Other Costs" category should have a direct link with the project. This means that the concerned invoices should relate to specific costs identifiable and directly connected to the performance of the action, knowing the project.

If this is not the case, the cost item should be considered as "E7. Overheads", being cost which are not identifiable as specific costs directly linked to the action, but which can be identified and justified by the beneficiary using his accounting system. Overheads are all the structural and support costs of an administrative, technical and logistical nature for the activities (operation) of the beneficiary's entity, of which the grant project is only one specific action.

The following details should be listed:


- Acronym of beneficiary organisation.
- Country code
- Name of supplier
- Description of item.
- Purchase price.


⇒ As a special case, the travel costs and subsistence allowances incurred by persons not listed under "E1. Staff" category can be reported under the "E6. Other Costs" category. Here the same headings of reporting should be used as under the "Travel Costs and Subsistence Allowances" category.

	<i>Comments</i>	<p>- Project references such as project acronym or contract number need to be indicated on invoices related to this category.</p> <p>- Invoice could be requested upon request in case of further verifications or audits <u>but they have not to be provided at this stage</u></p>
	<i>Supporting documents to be annexed to your payment request</i>	None

E7. Overheads



The overhead is based on a fixed percentage of the total eligible costs indicated in Article I.4.2 of the Grant Agreement.

	<i>Comments</i>	The "Overheads" percentage can not exceed 7% of the total eligible direct costs of the project
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	<i>Supporting documents to be annexed to your payment request</i>	None
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5) REPORTING PER INCOMES CATEGORY

It is important to ensure that all incomes are declared in the financial report. The income may appear as receipts of the project or as third party funding. The third party funding could be, for instance, state aid. Normally this would have been already foreseen in the contract at signature stage.

	<i>Comments</i>	<ul style="list-style-type: none"> - Contribution pertaining to national officials under (I2) must be the same amount as under E1.b - Explanations/justifications related to "Income generated by the project" (I4) needs to be provided
	<i>Supporting documents to be annexed to your payment request</i>	<ul style="list-style-type: none"> - Copy of bank statements or any other documents supporting the amount(s) reported under "Income generated by the project" (I4) - Copy of bank statements or any other documents supporting the amount(s) reported under "Other external resources" (I5) - Copy of bank statements or any other documents supporting the amount(s) reported under "Other current funding applications" (I6)

6) TEMPLATES

TEMPLATE no. 1**Request of balance payment****[To be issued by main beneficiary only]****(Printed on main beneficiary's letter headed paper)**

European Commission
 Executive Agency for Health and Consumers (EAHC)
 To the attention of Mr. Luc Briol, Director
 L-2920 LUXEMBOURG

Date: *dd-mm-yy*
 Place: *place*

Object: **Request of Balance Payment**
 Project Acronym: *XXXXXXXXXXXXXX*
 Grant agreement number: *200X XXX*

Dear Mr Briol,

With reference to aforementioned grant agreement and in accordance of the terms of the contract, we hereby request the balance payment of EUR *XXX.XXX,XX*.

We confirm that any reports, deliverables and other documents drawn up in accordance with the relevant provisions of the grant agreement have been submitted to the Executive Agency or are annexed to this document.

In addition we hereby certify that the total amount of bank interests or equivalent benefits yielded on pre-financing payments made by the Executive Agency is equal to *[zero]* or *[insert amount in euro]*. *[Relevant information justifying the amount is annexed to this document]*;

You will find in annexes the reports and other documents drawn up in accordance with the relevant provisions of the grant agreement and the individual certificate of costs duly issued by all partners.

With kind regards,

Name of signatory: *Xxxx Xxxx*
 Function of signatory: *Xxxx (Authorised representative)*

Signature: _____

List of annexes:

- I. Final Technical reports, and if necessary deliverables and other documents drawn up in accordance with the relevant provisions of the grant agreement not yet submitted to the Executive Agency
- II. Final Financial statement presented as follows:
 - Final Detailed Budget (parts A&B) – Excel version sent by email to Executive Agency on dd-mm-yy
 - Final Budget by Beneficiary (part C) – Excel version sent by email to Executive Agency on dd-mm-yy
- VI. Original "Individual Certificate of costs" issued by all beneficiaries (main and associated) and signed by each beneficiary's authorised representative accompanied by relevant annexes
- III. Others

TEMPLATE no. 2

Individual certificate of costs

[To be issued by each beneficiary (main and associated)]

(Printed on organisation's letter headed paper)

European Commission
Executive Agency for Health and Consumers (EAHC)
To the attention of Mr. Luc Briol, Director
L-2920 LUXEMBOURG

Date: dd-mm-yy

Place: place

Object: **Individual Certificate of costs**

Project Acronym: XXXXXXXXXXXXX

Grant agreement number: 200X XXX

With reference to abovementioned grant agreement, we, [Name of the organisation as identified in the contract] hereby certify that:

1. Any supporting documents (time-sheets, salary slips or invoices) related to eligible costs incurred by our organisation during the action are available upon request for audit by the Executive Agency or its authorised representatives or the Court of Auditors;
2. Any necessary permissions of the Commission have been obtained;
3. Any reported eligible costs by our organisation are complying with the following cumulative conditions:
 - they are derived from resources employed which were in connection and necessary for the implementation of the action;
 - they are actual and reflect our economic environment;
 - they are determined in accordance with our accounting principles;
 - they have been incurred during the duration of the action;
 - they are identifiable, recorded and controllable in our accounts at the date of the establishment of this document;
 - they are exclusive of any non-eligible costs identified below which are established in the above mentioned contract:
 - ✓ return on capital;
 - ✓ debt and debt service charges;

- ✓ provisions for losses or potential future liabilities;
- ✓ interest owed;
- ✓ doubtful debts;
- ✓ exchange losses;
- ✓ costs declared by us and covered by another action or work programme receiving a Community grant;
- ✓ excessive or reckless expenditure;
- ✓ contributions in kind;
- ✓ any cost which does not meet the conditions established in Article II.14. of the contract.

4. VAT part is excluded from costs declared in our financial reports

or

Since we are not able to recover it, VAT part is included in costs declared in our financial reports. *[Relevant attestation issued by our national VAT administration stating that we are not able to recover it is annexed to this document]*

5. As declared in our final financial report the total amount of "**I4. Income generated by the project**" is equal to [zero] or [insert amount in euro]. *[Relevant information justifying the amount is annexed to this document];*
6. As declared in our final financial report the total amount of "**I5. Other external resources**" is equal to [zero] or [insert amount in euro]. *[Relevant information justifying the amount is annexed to this document];*
7. As declared in our final financial report the total amount of "**I6. Other current funding applications**" is equal to [zero] or [insert amount in euro]. *[Relevant information justifying the amount is annexed to this document];*

Name of signatory: Xxxx Xxx

Function of signatory: Xxxx *(Authorised representative)*

Signature: _____

List of annexes:

- I. Copies of invoices for equipment and subcontracting items.
- II. VAT attestations issued by our national VAT administrations stating that we are not able to recover VAT. (If necessary)
- III. Copy of prior approval related to travels done outside EU and Candidate Countries. (If any)
- IV. Relevant documentation related to "Income generated", "External resources" and "Other current funding applications" (if any)
- V. Others

TEMPLATE no. 3

Expenditures

Direct eligible costs	TOTAL
E1. Staff	0,00
a. Costs not pertaining to national officials	0,00
b. Costs pertaining to national officials	0,00
E2. Travel costs and subsistence allowances	0,00
E3. Equipment	0,00
E4. Consumables & supplies directly linked to the project	0,00
E5. Subcontracting costs	0,00
E6. Other costs	0,00
Total direct eligible costs	0,00

E7. Overheads	0,00
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Total - Expenditure	0,00
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% of Overheads	0,00%
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Incomes

I1. Commission funding	0,00
I2. Contribution pertaining to public officials	0,00
I3. Applicant's financial contribution	0,00
I4. Income generated by the project	0,00
I5. Other external resources	0,00
I6. Other current funding applications	0,00

Total - Income	0,00
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% of Commission funding	0,00%
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Main Beneficiary	Associated beneficiary	Associated beneficiary	Associated beneficiary	Associated beneficiary	Associated beneficiary	Associated beneficiary	Associated beneficiary
Partner Acronym 1	Partner Acronym 2	Partner Acronym 3	Partner Acronym 4	Partner Acronym 5	Partner Acronym 6	Partner Acronym 7	Partner Acronym 8

0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
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0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
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0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
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I, the undersigned, being the coordinator of the above mentioned project, declare that the information provided in this statement is true.

Name of signatory: _____

Date: _____

Function of signatory: _____

Organisation: _____

Signature (+ Stamp):

TEMPLATE no. 4

E1. Staff

a. Costs pertaining to public officials

Acronym of beneficiary organisation	Country Code	Name of person	Function/Category	A Number of days worked for the project	B Daily Rate (€)	A x B Cost (€)
XXXX	XX	XXXX XXXXX	XXXX	0,00	0,00	0,00
XXXX	XX	XXXX XXXXX	XXXX	0,00	0,00	0,00
TOTAL						0,00

No. of Supporting document

Reserved to EAHC

Upon request only

b. Costs not pertaining to public officials

Acronym of beneficiary organisation	Country Code	Name of person	Function/Category	A Number of days worked for the project	B Daily Rate (€)	A x B Cost (€)
XXXX	XX	XXXX XXXXX	XXXX	0,00	0,00	0,00
XXXX	XX	XXXX XXXXX	XXXX	0,00	0,00	0,00
TOTAL						0,00

Upon request only

E2. Travels Costs and subsistences Allowances

a. Travel Costs

Acronym of beneficiary organisation	Country Code	Name of the person travelling	Purpose and dates of the travel	Means of transports	Place of departure (City, Country)	Destination (City, Country)	Cost (€)
XXXX	XX	XXXX XXXXX	XXXX (dd/mm/yy)	XXXX	XXXX, XXXX	XXXX, XXXX	0,00
XXXX	XX	XXXX XXXXX	XXXX (dd/mm/yy)	XXXX	XXXX, XXXX	XXXX, XXXX	0,00
TOTAL							0,00

b. Subsistence Allowances

Acronym of beneficiary organisation	Country Code	Name of the person travelling	Purpose and dates of the travel	Destination (City, Country)	A Number of days	B Cost of the daily allowance	A x B Cost (€)
XXXX	XX	XXXX XXXXX	XXXX (dd/mm/yy)	XXXX, XXXX	0,00	XXXX	0,00
XXXX	XX	XXXX XXXXX	XXXX (dd/mm/yy)	XXXX, XXXX	0,00	XXXX	0,00
TOTAL							0,00

Prior approval for travels outside EU

E3. Equipment

Acronym of beneficiary organisation	Country Code	Name of supplier	Description of the equipment	Purchase price (€)	Date of purchase	Depreciation rule 36 or 60 months	Number of months of depreciation	% allocation to project (if not 100%)	Amount of depreciation (€)
XXXX	XX	XXXX	XXXX	0,00	dd/mm/yy	XX	XX	..%	0,00
XXXX	XX	XXXX	XXXX	0,00	dd/mm/yy	XX	XX	..%	0,00
TOTAL									0,00

Invoice no. XX

Invoice no. XX

E4. Consumables and supplies

Acronym of beneficiary organisation	Country Code	Name of supplier	Description of the items	Purchase price (€)
XXXX	XX	XXXX	XXXX	0,00
XXXX	XX	XXXX	XXXX	0,00
TOTAL				0,00

Upon request only

E5. Subcontracting

Acronym of beneficiary organisation	Country Code	Name of subcontractor	Description of the tasks	Amount of invoices (€)
XXXX	XX	XXXX	XXXX	0,00
XXXX	XX	XXXX	XXXX	0,00
TOTAL				0,00

Invoice no. XX

Invoice no. XX

E6. Other costs

Acronym of beneficiary organisation	Country Code	Name of supplier	Description of the items	Purchase price (€)
XXXX	XX	XXXX	XXXX	0,00
XXXX	XX	XXXX	XXXX	0,00
TOTAL				0,00

Upon request only