



EUROPEAN COMMISSION  
Directorate General Mobility and Transport

Directorate C – Land  
Unit C4 – Rail Safety and Interoperability

CALL FOR PROPOSAL for Issues Log Book Activity II

Reference number: MOVE/C4/2020-103

**"Support to improving rail interoperability with a view to achieve rail breakthroughs supporting TEN-T infrastructure policy:  
Technical Operational Issues Log Book – second call"**

## 1. INTRODUCTION – BACKGROUND

The Commission Implementing Decision C(2019) 2743 final of 12.4.2019 , amending Commission Implementing Decision C(2014) 1921 (Multi Annual Work Programme 2014 under the CEF), allows in Annex II § 4.2.2.1 the possibility to pursue a Programme Support Action in the field of "Support to improving rail interoperability with a view to achieve rail breakthroughs supporting TEN-T infrastructure policy", implemented by means of a grant to support activities aiming at find solutions for the technical barriers to international freight listed in the Rail Technical Operational Issues Logbook [https://ec.europa.eu/transport/modes/rail/interoperability/interoperability/ope-tsi\\_en](https://ec.europa.eu/transport/modes/rail/interoperability/interoperability/ope-tsi_en).

This Programme Support Action will be implemented through a grant awarded following a call for proposals to ministries, national safety authorities, rail infrastructure managers and railway undertakings.

Complementarily, constraints affecting rail freight performances linked to the fragmentation of the EU Rail network, as well as specificities of the EU standards not performing according to widespread Rail state-of-the-art shall be tackled through ad hoc Programme Support Actions.

Following the first round of actions supported within the Issues Logbook domain, several stakeholders have highlighted that the currently applied EU technologies such as the use of screw couplers are negatively affecting rail freight performances from marshalling operations to mainline flows, including on brake tests and therefore handover.

Furthermore, digital automatic couplers could provide a valuable option for some of the game changers to be mainstreamed in the CCS TSI (On-board train integrity, reported train length).

On DAC, the following types are identified:

Type 1 = only mechanical coupling (traction and compression)

Type 2 = Type 1 + automatic coupling of air pipe

Type 3 = Type 2 + power and data bus line

Type 4 = Type 3 + automatic de-coupling (manually at wagon level)

Type 5 = Type 3 + automatic de-coupling (remotely controlled)

## 2. OBJECTIVE(S) – THEME(S) – PRIORITIES

The Issues Logbook project was initiated in March 2017, with the objective to identify interoperability barriers hampering international rail freight traffic, especially along the Rail Freight Corridors (RFCs).

Following the Rastatt incident in summer 2017 and subsequent work on the contingency handbook, linked among others with cross border interoperability problems, the importance of the Issues Logbook was again highlighted. RFCs and the sector were reminded to provide inputs on issues. DG MOVE prepared the "version 1" of the Issues Logbook on that basis in spring 2018.

The aim of the re-launch of the issues logbook in spring 2018 was to create an efficient process involving the sector (including RFCs/Railway Undertakings (RUs)/Infrastructure

Managers (IMs)), national authorities and European Union Agency for Railways (ERA)/Commission to tackle and solve concrete operational interoperability issues, as they continue to hamper rail freight transport and seriously limit the benefits expected from infrastructure improvements.

The Issues Log Book lists key technical operational issues encountered by rail freight, mainly "fed" by on-the-ground experience of the RFCs, with further inputs from the other rail actors, ERA and the Commission. This compiling of issues allows the assignment of tasks to the most relevant and competent actors, and it will avoid duplication of work on the same problems through several channels. It enables the prioritisation of issues according to their impact and scale, as well as monitoring the progress achieved.

Each issue has a description, list of affected RFCs, envisaged solutions, an analysis, an impact assessment (money/time), level of priority, responsible actors and defined next steps.

Current analysis of the Log Book shows that the resolution of a significant number of the issues raised requires actions at several levels:

1. Action at Member State level to clean up National Rules that have become obsolete following the development of the Operation and traffic management Technical Specification for Interoperability<sup>1</sup> (OPE TSI), or even contradictory with the OPE TSI or other EU legislation.

2. Action at sector level (RFCs/RUs/IMs) to develop harmonised templates, identify and apply best practices and increase trust between the stakeholders involved

3. Sometimes further regulatory or implementation measures will be needed

4. Workshops bringing together several RFCs affected by the same issue and ERA in order to discuss concretely how to solve these issues. These workshops will identify what further actions can be undertaken to improve interoperability and resolve the issues.

The expected outputs are therefore:

Agreements on new working procedures

Sector best practice

Identification of problematic national rules

If relevant, inputs to:

- European Standardisation (EN standards) or
- European legislations (TSIs, CSMs or others)

The objective of this Programme Support Action is to assist sector and authority to find concrete solutions to the issues.

The action should result in effective implementation of the Railway Safety Directive (Directive (EU) 2016/798), the Interoperability Directive (Directive (EU) 2016/797) and the technical specification for interoperability for operation and traffic management (Commission Regulation (EU) 2015/995 and its future revision) with a view to resolving the issues and priorities included in the Technical Operational Issues Logbook. The attractiveness and reliability of rail freight should thereby be improved.

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<sup>1</sup> Commission implementing regulation (EU) 2019/773 of 16 May 2019 on the technical specification for interoperability relating to the operation and traffic management subsystem of the rail system within the European Union and repealing Decision 2012/757/EU.

A specific objective of this second call is to identify the conditions for a fruitful deployment of Digital and Automatic Couplers (“DAC”) for the European rail freight market, in order to lead to a European deployment planning for DAC.

More specifically, deployment scenarios shall be developed including analytical elements (Cost-Benefit Analysis and business case of stakeholders), contributing to setting up a European deployment plan for DAC; these elements shall be validated through a structured dialogue with stakeholders as defined below.

In terms of technological option, the following options shall be considered for their contributions to the enhancement of rail performances and digitalisation:

- Deployment of DAC Type 4
- Deployment of DAC Type 4 + migration to Type 5
- Deployment of DAC Type 5

With regard to the input to the activity, the current RTDI and demonstration activities assessed under the aegis or in coordination with of Shift2Rail shall be considered, as well as the definition of functional requirements for DAC by TIS consortium.

As far as stakeholders’ involvement is concerned, the activity shall aim at a structured consultation (e.g. a forum) with a representative sample of stakeholders including at least Wagon Keepers, Infrastructure Managers and Railway Undertakings, considering representativeness in terms of geographical coverage and societal size and structure in the EU.

The timeframe considered in the analytical components of the activity shall ideally encompass the lifecycle of DAC, including the whole transition period of coexistence of two non-interoperable systems (different transition periods can be considered in different scenarios).

The geographical scope of the activities shall cover, but not necessarily restricted to the EU, EFTA and all Candidate Countries.

The activity shall yield elements of a Cost-benefit analyses, aggregated and per stakeholders, including each stakeholder category business case; among the others, the impact of DAC on the following functions shall be assessed:

- Improvement of rail freight operations throughout the logistic chain
- Enhancement of Train length with a single locomotive
- On-board train integrity provision for ERTMS Level 3, comparative to other tools
- Braking performances
- Brake testing
- Network capacity (indicatively in terms of Trains and Ton/ILU x Km)
- Harmonisation of rail operations overcoming national rules.

Among the deliverables, a specific interim report with indication of useful elements and recommendations for the planned 2022 CCS TSI shall be delivered by August 2021

### 3. INDICATIVE TIMETABLE

	<b>Steps</b>	<b>Date and time or indicative period</b>
(a)	Publication of the call	<i>August 2020</i>
(b)	<b>Deadline for submitting applications</b>	<i>1 November 2020</i>
(c)	Evaluation period	<i>November 2020</i>
(d)	Information to applicants	<i>b)+1 month</i>
(e)	Signature of grant agreement(s)	<i>d)+3 months</i>

### 4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of projects under this call for proposals is estimated at EUR 672.859,000.

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

### 5. ADMISSIBILITY REQUIREMENTS

In order to be admissible, applications must be:

- sent no later than the deadline for submitting applications referred to in section 3;
- submitted in writing (see section 14), using the application form attached to this call;
- drafted in one of the EU official languages.

Failure to comply with those requirements will lead to rejection of the application.

### 6. ELIGIBILITY CRITERIA<sup>2</sup>

#### 6.1. Eligible applicants

##### General requirements

In accordance with section 2.1 of the Commission Implementing Decision C(2019)2743, applications must be presented by:

- one or more Member States, and / or
- with the agreement of the Member States concerned, by international organisations, joint undertakings, or public or private undertakings or bodies or entities established in Member States.

Applications submitted by natural persons are not eligible.

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<sup>2</sup> Articles 194(1)(b) and 197 FR

For British applicants: Please be aware that following the entry into force of the EU-UK Withdrawal Agreement<sup>3</sup> on 1 February 2020 and in particular Articles 127(6), 137 and 138, the references to natural or legal persons residing or established in a Member State of the European Union are to be understood as including natural or legal persons residing or established in the United Kingdom. UK residents and entities are therefore eligible to participate under this call.]

Third Countries and entities established in third countries may participate in actions contributing to projects of common interest where necessary in order to achieve the objectives of a given project of common interest. They may not receive financial assistance except where it is indispensable to the achievement of the objectives of a given project of common interest.

In such cases and pursuant to Article 8(1) of the TEN-T guidelines, applications may be presented by neighbouring/third countries or entities established in neighbouring/third countries, with the agreement of a Member State.

#### Affiliated entities

Affiliated entities, i.e. legal entities having a legal or capital link with applicants, which is neither limited to the action nor established for the sole purpose of its implementation, shall take part in the action as applicants in order to declare eligible costs

For that purpose, the applicant(s) shall identify such affiliated entities in the application form.

#### Implementing bodies

"Implementing body"<sup>4</sup> means a public or private undertaking or body designated by a beneficiary, where the beneficiary is a Member State or an international organisation, to implement the action concerned.

Such designation shall be decided upon by the beneficiary under its own responsibility and, if it requires the award of a procurement contract, in compliance with the applicable Union and national public procurement rules.

All implementing bodies require the approval of the EU Member State(s) concerned by the proposed Action. For this purpose, they must provide a signed Member State Approval Form (annexed to this call)

### **Specific eligibility requirements**

Proposals may be submitted by any of the following applicants:

- Ministries;
- National safety authorities;

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<sup>3</sup> Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

<sup>4</sup> As defined by article 2 (11) of Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility

- Infrastructure managers (as defined in point (2) of Article 3 of Directive 2012/34/EU);
- Railway Undertakings (as defined in point (1) of Article 3 of Directive 2012/34/EU, and any other public or private undertaking, the activity of which is to provide transport of goods and/or passengers by rail on the basis that the undertaking is to ensure traction; this also includes undertakings which provide traction only)
- Rail freight corridor as defined in Regulation (EU) No 913/2010;
- Associations of the above.

In order to be eligible and following the financial decision the group submitting the proposal must be composed of at least four legal entities and must at least consist of two out of four the following stakeholder groups:

- 1 Railway Undertaking (as defined in point (1) of Article 3 of Directive 2012/34/EU, and any other public or private undertaking, the activity of which is to provide transport of goods and/or passengers by rail on the basis that the undertaking is to ensure traction; this also includes undertakings which provide traction only);
- 1 Ministry or 1 National safety Authority;
- 1 Infrastructure manager (as defined in point (2) of Article 3 of Directive 2012/34/EU).

A project shall have a geographical coverage of at least two Member States.

All applicants, except if the applicant is an EU Member State(s), require the approval of the EU Member State(s) concerned by the proposed Action. For this purpose, they must provide a signed Member State Approval Form (annexed to this call).

By way of exception, an application may be submitted by **one** applicant, whether established specifically or not for the action, provided that:

- it is formed of several legal entities complying with the eligibility, non-exclusion and selection criteria set out in this call for proposals, and implementing together the proposed action;
- the application identifies the said entities.

For the purpose of declaring eligible costs as specified under section 11.3, the entities composing the applicant shall be treated as affiliated entities in accordance with Article 187 of the Financial Regulation<sup>5</sup>.

### **Supporting documents**

In order to assess the applicants' eligibility, the following supporting documents are requested:

- **private entity:** extract from the official journal, copy of articles of association, extract of trade or association register, certificate of liability to VAT (if, as in certain countries, the trade register number and VAT number are identical, only one of these documents is required);

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<sup>5</sup> Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union (OJ L 193, 30.7.2018, p.1)

- **for railway undertaking:** the safety certificate of the railway undertaking delivered by the National Safety Authority or the European Union Agency for Railway,
- **for infrastructure manager:** the safety authorisation delivered by the National Safety Authority,
- **public entity:** copy of the resolution, decision or other official document establishing the public-law.

## 6.2. Eligible activities

The Programme Support Action shall be implemented through one major activity, i.e. the development of solutions to harmonise operational feature that currently hinder interoperability in rail freight.

This may include in particular:

- Development and implementation of pilot projects, deployed in a timeline of 6 to 18 months, including tests on site where relevant, where clearly identified and described as output of a project;
- Development and implementation of IT tools or specifications for IT systems, where clearly identified and described as output of a project;
- In order to achieve the activities above, it may also include
  - Training of staff;
  - Studies, analyses;
  - Methodologies to transfer the knowledge from projects to other geographical areas/entities or at European level;
  - Workshops or seminars, where necessary.

The proposal should include an initial planning of the pilot projects, indicating clearly the tasks to be performed in relation to the eligible activities, including, where appropriate, the cooperation role envisaged for the European Union Agency for Railways. To be eligible for funding the Issues Log Book programme must concern one or more of the following issues, related to the objectives of the Connecting Europe Facility in general and to the achievement of rail breakthrough as defined in the Rotterdam declaration, as detailed below:

N° of issue	Name of the issue	description
<b>1. BRAKING (Priority 1) – Not Applicable, already covered by first call</b>		
1	<b>Braking sheets</b>	Every country and nearly every RU uses a different Braking Sheet with different layout and content. The UIC Leaflet 472 gives a frame with mandatory and optional Data and an example for the layout. This leads to RUs having to switch braking regimes at border crossings.

2	<b>Braking performance</b>	Requirements for braking performance (in particular the braking percentages) as well as the braking calculations are different in the Member States.
<b>2. TRAIN COMPOSITION &amp; TECHNICAL CHECKS AT BORDERS WITHIN MEMBER STATES (Priority 2)</b>		
5	<b>Train Composition - Working handbrake last wagon</b>	Constraints by one or two member states. The small group of railway companies which run very long-distance trains experience the most problems. Extra rules can be very cumbersome, and sometimes detailed rules are not well understood by the RU (e.g. the "6-axle wagon" rule). These rules are either legislative or internal company rules, and among them there are some potential "quick wins". Difficulty at RFC level to act on this if one MS does something differently and doesn't want to change.
6	<b>Train Composition - No push 6 axles wagons</b>	Constraints by one or two member states. The small group of railway companies which run very long-distance trains experience the most problems. Extra rules can be very cumbersome, and sometimes detailed rules are not well understood by the RU (e.g. the "6-axle wagon" rule). These rules are either legislative or internal company rules, and among them there are some potential "quick wins". Difficulty at RFC level to act on this if one MS does something differently and doesn't want to change.
7	<b>Train Composition - Buffer wagons</b>	Number of buffer wagons required between an electric locomotive and wagons carrying dangerous goods is different in the Member States. It is highlighted that RID doesn't foresee any buffer wagon in this configuration.
8	<b>Technical checks at border stations</b>	Sometimes you have to do a safety check on each side of the border, meaning 2 checks for 1 border. This is the case for FR-ES. How could we have IMs to agree on 1 safety check? Some MS required technical inspection even in case of a valid ATTI-agreement.
9	<b>Mandatory checks in MSs</b>	Mandatory wagon checks vary by MS. The obligation for wagon checks can be at the border stations, at regular distance and/or time intervals, and in one or two cases, before steep gradients (brake check). However, RUs will themselves sometimes like to have border checks.
<b>3. REAL TIME COMMUNICATION ABOUT TRAIN COMPOSITION (Priority 3) – Not Applicable, already covered by first call</b>		
15&4	<b>Real time communication and harmonisation of train composition message (wagon list)</b>	Need for real time communication between RUs and IMs about the composition of trains (length, electrified or diesel locomotive, etc.). TIS (Train Information System) from RNE helps with this, but not all RUs provide their information in TIS. The people at the border are not sufficiently informed, and receive the information too late. Additional to the data elements in the train list, the HERMES Message and the Train Composition List (TAF-TSI), the polish authority requires to write on the list a specification of extreme dangerous goods, which is not known in any other country.  Additional national requirement that is not foreseen in any international rule. Consequence is additional manual Work or a specific construction of the TCM or other system only for Poland (see also point 7). Sens and value is not clear and should be explained.

4	<b>Train composition - Harmonisation of wagon list</b>	<p>To inform the Infrastructure Managers and the following Railway Undertaking about the parameters of the running train is a legal requirement of the TAF-TSI. It is also required in most of the network statements. The problems are different national requirements in detail. The acceptance of IT processes in general and the TCM-standard out of TSI Operation in particular.</p> <p>European Common Train Document is required with harmonised format and data content.</p>
11	<b>New train number</b>	<p>There are cases, when there is no change in the train composition, but the infrastructure manager assigns a new number to the train, which is then considered as a new train, thus, all train preparation procedures (such as full technical wagon check and brake test) has to be performed again. However, in other cases, renumbering is a daily use of IMs and do not force a new train preparation.</p>
<b>4. TRAIN VISIBILITY</b>		
3	<b>Front visibility and rear end signals</b>	<p>Different kinds of rear end signals in national requirements, meaning if the train is originally only equipped with plates and is travelling to a country where tail lights are compulsory, you need double equipment and have to stop and change the equipment at the border (even if locomotive is ERTMS equipped).</p> <p>Lights are allowed in countries with plates. Which means that there is no need to stop at the border when the compliance is done at the start of the train.</p> <p>The problem is worse for small RUs who do not have the staff to do the change. Sometimes, big RUs do it for the small ones, but this is very expensive (the staff of the big RUs must be paid 24h/day). Both the National Safety Authorities and IMs say each the other should do the work.</p> <p>Some specific national rules address also front light, which requires vehicles to be equipped with particular front light for specific operations</p>
<b>5. OTHER ISSUES</b>		
<b>5.1 PEOPLE CABIN CREW</b>		
13	<b>2 people cabin crew</b>	Number of cabin crews / drivers is required to be 2 in some cases and in some Member States.
<b>5.2 Commutable electric power supply</b>		
14	<b>Equipment of border stations with commutable electric power supply</b>	In border stations between networks where different kind of electrical current is supplied (i.e. AC vs. DC or 15 kV vs. 25 kV, etc.) only shunting overcomes lack of interoperability.
<b>5.3 Language skills</b>		
16	<b>Pilot project under Annex VI to Directive 2007/59/EC</b>	Implementation of pilot project testing under operational conditions alternative options to level B1 language skills as defined in Annex VI to Directive 2007/59/EC <sup>6</sup> .
<b>5.4 Digital Automatic Coupling</b>		
17	<b>Digital Automatic Coupling</b>	<p>Constraints affecting rail freight performances linked to the fragmentation of the EU Rail network, as well as specificities of the EU standards not performing according to widespread Rail state-of-the-art shall be tackled through ad hoc Programme Support Actions.</p> <p>Following the first round of actions supported within the Issues</p>

<sup>6</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R0554&from=EN> OJ L 97, 8.4.2019, p. 1–5

		<p>Logbook domain, several stakeholders have highlighted that the currently applied EU technologies such as the use of screw couplers are negatively affecting rail freight performances from marshalling operations to mainline flows, including on brake tests and therefore handover.</p> <p>Furthermore, digital automatic couplers could provide a valuable option for some of the game changers to be mainstreamed in the CCS TSI (On-board train integrity, reported train length).</p>
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Each 17 lines of the table above is defined as one Issue of the Log Book.

Other issues that are not explicitly listed above could also be eligible for this PSA, provided that tackle important issues for international rail freight related to technical and operational interoperability as described in the issues log book, with European relevance.

Each pilot project should cover at least one issue; a combination of issues is also possible.

Proposals should include a clear process work between the participants designed to deliver concrete operational solutions to the issues identified. They should set out the tasks to be performed, number of meetings and workshops foreseen, IT tools and test runs where necessary.

The outcomes of the pilot project should clearly indicate the solution to the issue(s) tackled in a well documented form (written report, web or IT tool) containing procedures or good practices or other necessary means necessary to be shared at EU level for the implementation of the proposed solutions by all potential stakeholders. Where no solution can be found, the reasons for this should also be clearly recorded. The outcomes must be part of the final report. The results must be made publicly available, to allow the deployment of solution at corridor and European level by all interested stakeholders.

A final conference, such as the Issues Log Book plenary meeting, could be organised at the end of the programme for sharing of identified solution and their implementation.

Given the overriding objective of promoting interoperability, the European Union Agency for Railways should be involved as advisor or for technical support or to provide guidance to the implementation of European legal framework in the context of the solutions proposed by the Issues Log Book projects.

The Agency shall in particular advise on measures to identify and where possible eliminate national operating rules.

The involvement of ERA in the project is mandatory in an advisory role and optional for technical advice.

To be eligible for funding specifically for DAC, the proposal must concern the elaboration of elements, cost-benefit and/or multi-criteria analyses, business cases for different stakeholders, as well as activities for reaching / building consensus among the different European stakeholders, including setting-up of a wide-reaching forum or consultation mechanism, for the introduction of Digital Automatic Couplers technology across the Single European Rail Area.

The following activities are NOT eligible under this action:

- Lobbying
- Activities already funded by other EU funding mechanisms.

In view of the requirements on separation of accounts set out in the Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012 establishing a single European railway area (Recast), where rail infrastructure management and transport operations are part of a vertically integrated undertaking, the beneficiary shall demonstrate that grants provided to the railway infrastructure manager are not transferred directly or indirectly to any other entity of the vertically integrated undertaking.

Given the objective of the Issues Log Book to achieve results in the shortest possible period, projects should aim at first results by maximum 2 years, with further extensions where necessary. Projects related to issues that already have identified solutions, such as the current priorities 1, 2 and 3, should aim at deliver results quicker or focus in the implementation and deployment of the already identified solutions.

Upon request of the consortium and approval of the European Commission, the calendar may be rescheduled to guarantee a better result. In any case, the maximum duration of projects is 36 months.

Applications for projects scheduled to run for a longer period than that specified in these grant award conditions will not be accepted.

### **Deliverables**

Beneficiary must deliver at least the following documents:

- Detailed Action plan, by the end of month 2, where requested by the Commission;
- Progress Report: after 12 months from the date of entry into force of the Agreement, the beneficiary will provide a Progress Report, as described in Article 4.11 of the grant agreement;
- Final Report: to be submitted together with the request for payment of the balance no later than 90 days after the completion date of the Action.

### **Implementation period**

- activities must start between 1<sup>st</sup> December 2020 and 1<sup>st</sup> March 2021;
- activities are to be completed by 31<sup>st</sup> December 2023;
- the maximum duration of projects is 36 months.

Applications for projects scheduled to run for a longer period than that specified in this call for proposals will not be accepted.

## **7. EXCLUSION CRITERIA**

### **7.1. Exclusion**

The authorising officer shall exclude an applicant from participating in calls for proposals where:

- (a) the applicant is bankrupt, subject to insolvency or winding-up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended, or it is in any

analogous situation arising from a similar procedure provided for under EU or national laws or regulations;

- (b) it has been established by a final judgment or a final administrative decision that the applicant is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law;
- (c) it has been established by a final judgment or a final administrative decision that the applicant is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful intent or gross negligence, including, in particular, any of the following:
  - (i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of eligibility or selection criteria or in the performance of a contract, a grant agreement or a grant decision;
  - (ii) entering into agreement with other applicants with the aim of distorting competition;
  - (iii) violating intellectual property rights;
  - (iv) attempting to influence the decision-making process of the Commission during the award procedure;
  - (v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;
- (d) it has been established by a final judgment that the applicant is guilty of any of the following:
  - (i) fraud, within the meaning of Article 3 of Directive (EU) 2017/1371 of the European Parliament and of the Council and Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;
  - (ii) corruption, as defined in Article 4(2) of Directive (EU) 2017/1371 or Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997, or conduct referred to in Article 2(1) of Council Framework Decision 2003/568/JHA, or corruption as defined in the applicable law;
  - (iii) conduct related to a criminal organisation, as referred to in Article 2 of Council Framework Decision 2008/841/JHA;
  - (iv) money laundering or terrorist financing within the meaning of Article 1(3), (4) and (5) of Directive (EU) 2015/849 of the European Parliament and of the Council;
  - (v) terrorist offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;
  - (vi) child labour or other offences concerning trafficking in human beings as referred to in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;
- (e) the applicant has shown significant deficiencies in complying with main obligations in the performance of a contract, a grant agreement or a grant

decision financed by the Union's budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;

- (f) it has been established by a final judgment or final administrative decision that the applicant has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95;
- (g) It has been established by a final judgement or final administrative decision that the applicant has created an entity in a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business;
- (h) it has been established by a final judgement or final administrative decision that an entity has been created with the intent referred to in point (g);
- (i) for the situations referred to in points (c) to (h) above, the applicant is subject to:
  - (i) facts established in the context of audits or investigations carried out by European Public Prosecutor's Office after its establishment, the Court of Auditors, the European Anti-Fraud Office or the internal auditor, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;
  - (ii) non-final judgments or non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;
  - (iii) facts referred to in decisions of persons or entities being entrusted with EU budget implementation tasks;
  - (iv) information transmitted by Member States implementing Union funds;
  - (v) decisions of the Commission relating to the infringement of Union competition law or of a national competent authority relating to the infringement of Union or national competition law; or
  - (vi) decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

## 7.2. Remedial measures<sup>7</sup>

If an applicant declares one of the situations of exclusion listed above (see section 7.4), it must indicate the measures it has taken to remedy the exclusion situation, thus demonstrating its reliability. This may include e.g. technical, organisational and personnel measures to correct the conduct and prevent further occurrence, compensation of damage or payment of fines or of any taxes or social security contributions. The relevant documentary evidence which illustrates the remedial measures taken must be provided in annex to the declaration. This does not apply for situations referred in point (d) of section 7.1.

## 7.3. Rejection from the call for proposals

The authorising officer shall not award a grant to an applicant who:

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<sup>7</sup> Article 136(7) FR

- (a) is in an exclusion situation established in accordance with section 7.1; or
- (b) has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information; or
- (c) was previously involved in the preparation of documents used in the award procedure where this entails a breach of the principle of equal treatment, including distortion of competition, that cannot be remedied otherwise.

The same exclusion criteria apply to affiliated entities.

Administrative sanctions (exclusion)<sup>8</sup> may be imposed on applicants, or affiliated entities where applicable, if any of the declarations or information provided as a condition for participating in this procedure prove to be false.

#### **7.4. Supporting documents<sup>9</sup>**

Applicants and affiliated entities must provide a declaration on their honour certifying that they are not in one of the situations referred to in Articles 136(1) and 141 FR, by filling in the relevant form attached to the application form accompanying this grant documentation

This obligation may be fulfilled in one of the following ways:

- (i) the coordinator of a consortium signs a declaration on behalf of all applicants and their affiliated entities; OR
- (ii) each applicant in the consortium signs a declaration in its name and on behalf of its affiliated entities; OR
- (iii) each applicant in the consortium and the affiliated entities each sign a separate declaration in their own name.

### **8. SELECTION CRITERIA<sup>10</sup>**

#### **8.1. Financial capacity<sup>11</sup>**

As stated under Article 131 (3) of the Financial Regulation, the verification of the financial capacity shall not apply to public bodies.

Applicants which are not public bodies must have stable and sufficient sources of funding to maintain their activity throughout the duration of the grant and to participate in its funding. The applicants' financial capacity will be assessed on the basis of the following supporting documents to be submitted with the application:

- a) Low value grants ( $\leq$  EUR 60 000):
  - a declaration on their honour.
- b) Grants  $\geq$  EUR 60 000:
  - a declaration on their honour and,
  - EITHER**

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<sup>8</sup> Article 138 FR

<sup>9</sup> Article 137 FR

<sup>10</sup> Article 198 FR

<sup>11</sup> Article 198 FR.

- the profit and loss account as well as the balance sheet for the last 3 financial years for which the accounts were closed;
- for newly created entities: the business plan might replace the above documents;

OR

- the table provided for in the application form, filled in with the relevant statutory accounting figures, in order to calculate the ratios as detailed in the form.

c) Grants for an action > EUR 750 000 or operating grants > EUR 100 000<sup>12</sup>:

- (i) the information and supporting documents mentioned in point b) above, and
- (ii) **an audit report** produced by an approved external auditor certifying the accounts for the last 3 financial years available, where such an audit report is available or whenever a statutory report is required by law.

If the audit report is not available AND a statutory report is not required by law, a self-declaration signed by the applicant's authorised representative certifying the validity of its accounts for the last 3 financial years available must be provided.

In the event of an application grouping several applicants (consortium), the above thresholds apply to each applicant.

In the case of legal entities forming **one** applicant (the "sole applicant"), as specified in section 6.1, the above requirements apply to each one of those entities.

On the basis of the documents submitted, if the Commission considers that financial capacity is weak, s/he may:

- request further information;
- decide not to give pre-financing;
- decide to give pre-financing paid in instalments;
- decide to give pre-financing covered by a bank guarantee (see section 11.4 below);
- where applicable, require the joint and several financial liability of all the co-beneficiaries.

If the RAO considered that the financial capacity is insufficient s/he will reject the application.

## 8.2. **Operational capacity**<sup>13</sup>

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed actions. In this respect, applicants have to submit a declaration on their honour, and the following supporting documents:

- curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the operation (accompanied where appropriate, like in the field of research and education, by a list of relevant publications);

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<sup>12</sup> Article 196(d) FR.

<sup>13</sup> Article 196 and 198 FR.

- the organisation's activity reports;
- an exhaustive list of previous projects and activities performed and connected to the policy field of a given call or to the actions to be carried out;
- a description of the technical equipment, tools or facilities and patents at the disposal of the applicant;
- an inventory of natural or economic resources involved in the project.

In the case of legal entities forming **one** applicant (the "sole" applicant), as specified in section 6.1, the above requirements apply to each one of those entities.

## 9. **AWARD CRITERIA**<sup>14</sup>

Only proposals compliant with the eligibility and selection criteria will be evaluated against the award criteria.

The decision to grant EU financial assistance for each of the activities separately, will take into account the following criteria:

### 1. Relevance (35%)

This refers to the contribution of the proposed Action to:

- the achievement of a single European railway area, in particular within the scope as laid out in the Interoperability Directive<sup>(15)</sup>, the Railway Safety Directive<sup>(16)</sup> and the Regulation concerning a European rail network for competitive freight<sup>(17)</sup>;
- support the achievement of the TEN-T objectives and priorities as laid out in the TEN-T Guidelines<sup>(18)</sup> by overcoming operational, technical and administrative barriers to interoperability,
- objectives described in the CEF multiannual Work Programme
- the EU added value - how the Programme Support Action will create benefits at European level beyond those would arise from action at national level

This criterion will assess how the proposal contributes to achieving the objective of the action, finding solutions to the issues listed in the Log Book or further that may have arisen from the sector not yet listed. In particular, the relevance of the expected output will be assessed, with reference to:

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<sup>14</sup> *Article 199 FR*

<sup>(15)</sup> Directive (EU) 2016/797 of the European Parliament and of the Council of 11 May 2016 on the interoperability of the rail system within the European Union

<sup>(16)</sup> Directive (EU) 2016/798 of the European Parliament and of the Council of 11 May 2016 on railway safety

<sup>17</sup> Regulation (EU) No 913/2010 of the European Parliament and of the Council of 22 September 2010 concerning a European rail network for competitive freight

<sup>(18)</sup> Regulation (EU) No 1315/2013 of the European Parliament and of the Council of 11 December 2013 on Union guidelines for the development of the trans-European transport network and repealing Decision No 661/2010;

- Effectiveness and relevance of the proposed solutions, and likelihood of their implementation;
- Pertinence of the proposed solutions to boost international rail freight services and ensure sustainable and efficient rail transport systems in the long run in the EU/EFTA;
- The replacement of national rules-based approach safety management systems of RUs or IMs by a risk-based approach, in line with the Railway Safety Directive 2016/798;
- The understanding of possible barriers still present to a more mature and efficient international rail freight;
- The impact and generation of documentation aimed for dissemination and sharing of expected results;
- Identification of needs and opportunities in the EU regulatory actions aiming at improving the EU regulatory framework.

In particular for DAC, the relevance of the expected output will be assessed, with reference to:

- Effectiveness and relevance of the output in order to define a deployment plan for DAC;
- Pertinence of the proposed solutions to boost international rail freight services and ensure sustainable and efficient rail transport systems in the long run in the EU/EFTA;
- Identification of needs and opportunities in the EU regulatory actions aiming at improving the EU regulatory framework, notably in terms of TSI package update;
- Repealing of national rules and harmonisation of Rail operations linked to DAC deployment.

## **2. Maturity (20%)**

This refers to the state of preparation of the proposed Action and the readiness to start the implementation of the proposed activities.

The effectiveness and rationality of the proposed organisation (including the timetable, rapidity of project implementation and monitoring) will also be assessed, in particular with reference to the participants and geographical coverage of the consortium in relation to the coverage of the proposed solutions (e.g. corridors, European level).

## **3. Impact (20%)**

This refers to the expected effect of the EU financial support on the specific objectives and tasks defined in the Work Programme. This refers in particular to the economic impact of the project toward the international rail freight and more specifically how the project will lead to more efficient, economically viable, higher volume and cost-effective international rail freight.

## **4. Quality (25%)**

This refers to the soundness of the proposed Action. This will be determined by the coherence between the objectives of the proposed Action, the proposed activities, the planned resources, the work plan and the appropriateness of the project management processes. Under this criterion, the capacity for the Action to be completed in accordance with the proposed timeline, implementation plans and the technical specifications will be assessed. In particular, the soundness of the implementation plan proposed will be assessed.

The organisation of the consortium to achieve the objectives of the Issues Log Book programme will be assessed, the strategies to implement effective solutions to the issues, focussing on pilots and/or IT tools developments, as well as the applicability of the projects solution at border crossings.

Proposals must score above 60% for each criterion and above 70% in total. Proposals that do not reach the minimum quality threshold will be rejected.

## **10. LEGAL COMMITMENTS<sup>19</sup>**

In the event of a grant awarded by the Commission, a grant agreement, drawn up in euro and detailing the conditions and level of funding, will be sent to the beneficiary, as well as the procedure in view to formalise the obligations of the parties.

The two copies of the original agreement must be signed by the beneficiary on behalf of the consortium and returned to the Commission immediately.

The Commission will sign it first.

Please note that the award of a grant does not establish an entitlement for subsequent years.

**The applicants understand that submission of a grant application implies acceptance of the general conditions attached to this grant documentation. These general conditions bind the beneficiary to whom the grant is awarded and shall constitute an annex to the grant decision.**

## **11. FINANCIAL PROVISIONS**

### **11.1. Forms of the grant<sup>20</sup>**

#### **11.1.1 Reimbursement of costs actually incurred**

The grant will be defined by applying a maximum co-financing rate of up to 100% to the eligible costs actually incurred and declared by the beneficiary, its affiliated entities and implementing bodies.

For details on eligibility of costs, please refer to section 11.2.

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<sup>19</sup> Article 201 FR.

<sup>20</sup> Articles 125 and 194(1)(c) FR

## 11.2. **Eligible costs**<sup>21</sup>

Eligible costs shall meet all the following criteria:

- they are incurred by the beneficiary.
- they are incurred during the duration of the action, with the exception of costs relating to final reports and audit certificates;
  - o The period of eligibility of costs will start as specified in the grant agreement.
  - o If a beneficiary can demonstrate the need to start the action before the agreement is signed, the costs eligibility period may start before that signature. Under no circumstances can the eligibility period start before the date of submission of the grant application.
- they are indicated in the estimated budget of the action;
- they are necessary for the implementation of the action which is the subject of the grant;
- they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost accounting practices of the beneficiary;
- they comply with the requirements of applicable tax and social legislation;
- they are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency.

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

The same criteria apply to costs incurred by the affiliated entities.

### **11.2.1. Eligible direct costs**

The eligible direct costs for the action are those costs which:

**with due regard to the conditions of eligibility set out above**, are identifiable as specific costs directly linked to the performance of the action and which can therefore be booked to it directly, such as:

- (a) *the costs of personnel working under an employment contract with the beneficiary or an equivalent appointing act and assigned to the action, provided that these costs are in line with the beneficiary's usual policy on remuneration.*

*Those costs include actual salaries plus social security contributions and other statutory costs included in the remuneration. They may also comprise additional remunerations, including payments on the basis of supplementary contracts regardless of the nature of those contracts, provided that they are paid in a consistent manner whenever the same kind of work or expertise is required, independently from the source of funding used;*

*The costs of natural persons working under a contract with the beneficiary other than an employment contract or who are seconded to the beneficiary by a third*

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<sup>21</sup> Article 186 FR

*party against payment may also be included under such personnel costs, provided that the following conditions are fulfilled:*

- (i) the person works under conditions similar to those of an employee (in particular regarding the way the work is organised, the tasks that are performed and the premises where they are performed);*
- (ii) the result of the work belongs to the beneficiary (unless exceptionally agreed otherwise); and*
- (iii) the costs are not significantly different from the costs of staff performing similar tasks under an employment contract with the beneficiary;*

The recommended methods for the calculation of direct personnel costs are provided in Appendix.

- (b) costs of travel and related subsistence allowances, provided that these costs are in line with the beneficiary's usual practices on travel;*
- (b) the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset:
  - (i) is written off in accordance with the international accounting standards and the beneficiary's usual accounting practices; and*
  - (ii) has been purchased in accordance with the rules on implementation contracts laid down in the grant agreement, if the purchase occurred within the implementation period;**

*The costs of renting or leasing equipment or other assets are also eligible, provided that these costs do not exceed the depreciation costs of similar equipment or assets and are exclusive of any finance fee;*

*Only the portion of the equipment's depreciation, rental or lease costs corresponding to the implementation period and the rate of actual use for the purposes of the action may be taken into account when determining the eligible costs. By way of exception, the full cost of purchase of equipment may be eligible under the Special Conditions, if this is justified by the nature of the action and the context of the use of the equipment or assets;*

- (c) costs of consumables and supplies, provided that they:
  - (i) are purchased in accordance with the rules on implementation contracts laid down in the grant agreement; and*
  - (ii) are directly assigned to the action;**
- (d) costs arising directly from requirements imposed by the Agreement (dissemination of information, specific evaluation of the action, audits, translations, reproduction), including the costs of requested financial guarantees, provided that the corresponding services are purchased in accordance with the rules on implementation contracts laid down in the grant agreement;*

- (f) *costs derived from subcontracts, provided that specific conditions on subcontracting as laid down in the grant agreement are met;*
- (g) *costs of financial support to third parties, provided that the conditions laid down in the grant agreement are met;*
- (h) *duties, taxes and charges paid by the beneficiary, notably value added tax (VAT), provided that they are included in eligible direct costs, and unless specified otherwise in the grant agreement.*

#### **11.2.2. Eligible indirect costs (overheads)**

'Not applicable'. Indirect costs are not eligible under this action.

#### **11.3. Ineligible costs**

The following items are not considered as eligible costs:

- a) return on capital and dividends paid by a beneficiary;
- b) debt and debt service charges;
- c) provisions for losses or debts;
- d) interest owed;
- e) doubtful debts;
- f) exchange losses;
- g) costs of transfers from the Commission charged by the bank of a beneficiary;
- h) costs declared by the beneficiary under another action receiving a grant financed from the Union budget. Such grants include grants awarded by a Member State and financed from the Union budget and grants awarded by bodies other than the Commission for the purpose of implementing the Union budget. In particular, beneficiaries receiving an operating grant financed by the EU or Euratom budget cannot declare indirect costs for the period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action.
- i) contributions in kind from third parties;
- j) excessive or reckless expenditure;
- k) deductible VAT.

#### **11.4. Balanced budget<sup>22</sup>**

The estimated budget of the action must be attached to the application form. It must have revenue and expenditure in balance.

The budget must be drawn up in euros.

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<sup>22</sup> Article 196(1)(e) FR

Applicants which foresee that costs will not be incurred in euros, are invited to use the exchange rate published on the Infor-euro website available at [http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/inforeuro/inforeuro\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm).

The applicant must ensure that the resources which are necessary to carry out the action are not entirely provided by the EU grant.

Co-financing of the action may take the form of:

- the beneficiary's own resources,
- income generated by the action,
- financial contributions from third parties.

Overall co-financing<sup>23</sup> may also include in-kind contributions from third parties, i.e. non-financial resources made available free of charge by third parties to the beneficiary or to the consortium. The corresponding costs of third parties are not eligible under the grant, e.g. providing a meeting room or equipment for free, etc.

In-kind contributions shall be presented separately in the estimated budget to reflect the total resources allocated to the action. Their approximate value shall be indicated in the estimated budget and shall not be subject to subsequent changes.

### 11.5. Calculation of the final grant amount

The final amount of the grant is calculated by the Commission at the time of the payment of the balance. The calculation involves the following steps:

#### **Step 1 — Application of the reimbursement rate to the eligible costs.**

The amount under step 1 is obtained by applying the reimbursement rate specified in section 11.1.1 to the eligible costs actually incurred and accepted by the Commission,

#### **Step 2 — Limit to the maximum amount of the grant**

The total amount paid to the beneficiaries by the Commission may in no circumstances exceed the maximum amount of the grant as indicated in the grant agreement. If the amount obtained following Step 1 is higher than this maximum amount, the final amount of the grant is limited to the latter.

#### **Step 3 — Reduction due to the no-profit rule**

‘Profit’ means the surplus of receipts over the total eligible costs of the action, where receipts are the amount obtained following Steps 1 and 2 plus the revenue generated by the action for beneficiaries and affiliated entities other than non-profit organisations.

In-kind and financial contributions by third parties are not considered receipts.

The total eligible costs of the action are the consolidated total eligible costs approved by the Commission. The revenue generated by the action is the consolidated revenue established, generated or confirmed for beneficiaries and affiliated entities other than non-profit organisations on the date on which the request for payment of the balance is drawn up.

If there is a profit, it will be deducted in proportion to the final rate of reimbursement of the actual eligible costs<sup>23</sup> of the action approved by the Commission.

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<sup>23</sup> Article 190 FR

## Step 4 — Reduction due to improper implementation or breach of other obligations

The Commission may reduce the maximum amount of the grant if the action has not been implemented properly (i.e. if it has not been implemented or has been implemented poorly, partially or late), or if another obligation under the Agreement has been breached.

The amount of the reduction will be proportionate to the degree to which the action has been implemented improperly or to the seriousness of the breach.

### 11.6. Reporting and payment arrangements<sup>24</sup>

#### 11.6.2 Payment arrangements

The beneficiary may request the following payments provided that the conditions of the grant agreement are fulfilled (e.g. payment deadlines, ceilings, etc.). The payment requests shall be accompanied by the documents provided below and detailed in the grant agreement:

<b>Payment request<sup>25</sup></b>	<b>Accompanying documents<sup>26</sup></b>
A <b>pre-financing payment</b> corresponding to 35 % of the maximum grant amount	(a) Approved action plan (first report) (b) financial guarantee (see section 11.7.2)
<b>interim payment:</b>  The interim payment shall clear 50% of the amount of the pre-financing previously paid.  The total amount of pre-financing and interim payments shall not exceed 55% of the maximum grant amount.	(c) Progress report (d) interim financial statement (e) a certificate on the financial statements and underlying accounts
<b>Payment of the balance</b>  The Commission will establish the amount of this payment on the basis of the calculation of the final grant amount (see section 11.5 above). If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the Commission through a recovery order <sup>27</sup> .	(a) final report (b) final financial statement (c) summary financial statement aggregating the financial statements already submitted previously and indicating the receipts (d) a certificate on the financial statements and underlying accounts

<sup>24</sup> Articles 115, 202 and 203 FR.

<sup>25</sup> Article 115 FR

<sup>26</sup> Article 203(2) FR

<sup>27</sup> Article 115(2) FR

In case of a weak financial capacity, section 8.1 above applies.

### **11.7.2 Pre-financing guarantee<sup>28</sup>**

A pre-financing guarantee for up to the same amount as the pre-financing may be requested in order to limit the financial risks linked to the pre-financing payment.

The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the EU Member States. When the beneficiary is established in a third country, the Commission may agree that a bank or financial institution established in that third country may provide the guarantee if it considers that the bank or financial institution offers equivalent security and characteristics as those offered by a bank or financial institution established in a Member State. Amounts blocked in bank accounts shall not be accepted as financial guarantees.

The guarantee may be replaced by:

- a joint and several guarantee by a third party or,
- a joint guarantee of the beneficiaries of an action who are parties to the same grant agreement.

The guarantee shall be released as the pre-financing is gradually cleared against interim payments or the payment of the balance, in accordance with the conditions laid down in the grant agreement.

As an alternative to requesting a guarantee on pre-financing, the Commission may decide to split the payment of pre-financing into several instalments.

#### **Payment of the balance on the final grant amount:**

Within 60 days from the approval of the request for payment of the balance, the Commission shall establish the amount of the final grant and pay the balance of the amount due for the Action.

The request for payment of the balance shall be submitted to the Commission and accompanied by the documents indicated in Articles 4.1.1 and II.23.2.2 no later than 90 days after the day when the final conference takes place (completion of the Action).

### **11.7. Other financial conditions**

#### **a) Non-cumulative award<sup>29</sup>**

An action may only receive one grant from the EU budget.

Under no circumstances shall the same costs be financed twice by the Union budget. To ensure this, applicants shall indicate in the grant application the sources and amounts of Union funding received or applied for the same action or part of the action or for its (the applicant's) functioning during the same financial year as well as any other funding received or applied for the same action.<sup>30</sup>

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<sup>28</sup> Articles 152 and 153 FR

<sup>29</sup> Article 191 FR

<sup>30</sup> Article 196(1)(f) FR

**b) Non-retroactivity**<sup>31</sup>

No grant may be awarded retrospectively for actions already completed.

A grant may be awarded for an action which has already begun only where the applicant can demonstrate in the grant application the need to start the action before the grant agreement is signed.

In such cases, costs eligible for financing may not have been incurred prior to the date of submission of the grant application.

**c) Implementation contracts/subcontracting**<sup>32</sup>

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary may award the contract in accordance with its usual purchasing practices provided that the contract is awarded to the tender offering best value for money or the lowest price (as appropriate), avoiding conflicts of interest.

The beneficiary is expected to clearly document the tendering procedure and retain the documentation in the event of an audit.

Entities acting in their capacity as contracting authorities within the meaning of Directive 2014/24/EU<sup>33</sup> or contracting entities within the meaning of Directive 2014/25/EU<sup>34</sup> must comply with the applicable national public procurement rules.

Beneficiaries may subcontract tasks forming part of the action. If they do so, they must ensure that, in addition to the above-mentioned conditions of best value for money and absence of conflicts of interests, the following conditions are also complied with:

- a) subcontracting does not cover core tasks of the action;
- b) recourse to subcontracting is justified because of the nature of the action and what is necessary for its implementation;
- c) the estimated costs of the subcontracting are clearly identifiable in the estimated budget;
- d) any recourse to subcontracting, if not provided for in description of the action, is communicated by the beneficiary and approved by the Commission. The Commission may grant approval:
  - (i) before any recourse to subcontracting, if the beneficiaries requests an amendment
  - (ii) after recourse to subcontracting if the subcontracting:
    - is specifically justified in the interim or final technical report and
    - does not entail changes to the grant agreement which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants;

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<sup>31</sup> Article 193 FR

<sup>32</sup> Article 205 FR

<sup>33</sup> Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC (OJ L 94, 28.3.2014, p. 65-242)

<sup>34</sup> Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (OJ L 94, 28.3.2014, p. 243-374)

- e) the beneficiaries ensure that certain conditions applicable to beneficiaries, enumerated in the grant agreement (e.g. visibility, confidentiality, etc.), are also applicable to the subcontractors.

**d) Financial support to third parties<sup>35</sup>**

The applications may not envisage provision of financial support to third parties.

## **12. PUBLICITY**

### **12.1. By the beneficiaries**

Beneficiaries must clearly acknowledge the European Union's contribution in all publications or in conjunction with activities for which the grant is used.

In this respect, beneficiaries are required to give prominence to the name and emblem of the European Commission on all their publications, posters, programmes and other products realised under the co-financed project.

### **12.2. By the Commission<sup>36</sup>**

With the exception of scholarships paid to natural persons and other direct support paid to natural persons in most need, all information relating to grants awarded in the course of a financial year shall be published on an internet site of the European Union institutions no later than the 30 June of the year following the financial year in which the grants were awarded.

The Commission will publish the following information:

- name of the beneficiary;
- address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level<sup>37</sup> if he/she is domiciled within the EU or equivalent if domiciled outside the EU;
- subject of the grant;
- amount awarded.

Upon a reasoned and duly substantiated request by the beneficiary, the publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the beneficiaries.

## **13. PROCESSING OF PERSONAL DATA**

The reply to this invitation to submit a proposal involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 2018/1725 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data. Unless indicated otherwise, the questions and any

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<sup>35</sup> Article 204 FR

<sup>36</sup> Articles 38 and 189 FR.

<sup>37</sup> Commission Regulation (EC) No 105/2007 of 1 February 2007 amending the annexes to Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS), OJ L39, 10.2.2007, p.1.

personal data requested that are required to evaluate the application in accordance with the call for proposal will be processed solely for that purpose by the Director of the Shared Resources Directorate of DG Mobility and Transport of the European Commission.

Personal data may be registered in the Early Detection and Exclusion System by the Commission, should the beneficiary be in one of the situations mentioned in Articles 136 and 141 of Regulation (EU, Euratom) 2018/1046<sup>38</sup>. For more information see the Privacy Statement on:

[https://ec.europa.eu/info/data-protection-public-procurement-procedures\\_en](https://ec.europa.eu/info/data-protection-public-procurement-procedures_en)

#### 14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

Proposals must be submitted in accordance with the formal requirements and by the deadline set out under section 3.

No modification to the application is allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or to correct clerical mistakes, the Commission may contact the applicant during the evaluation process<sup>39</sup>.

Applicants will be informed in writing about the results of the selection process.<sup>40</sup>

➤ Submission on paper

Application forms are annexed to this document

Applications must be submitted in the correct form, duly completed, dated and showing a balanced budget (revenue/expenditure). They must be submitted in four copies (one original clearly identified as such, plus three copies) and signed by the person authorised to enter into legally binding commitments on behalf of the applicant organisation.

Where applicable, all additional information considered necessary by the applicant can be included on separate sheets.

Applications must be sent, before the date set on point 3, to the following address<sup>41</sup>:

Means of submission	Time limit	Evidence of dispatch	Address for delivery
Post	<b>24:00 CET</b>	Postmark	Technical operational Issues Log Book programme support action European Commission Directorate-General for Mobility and Transport – Unit C.4 For the attention of Alice Polo DM28 4/91 B-1049 Brussels Belgium

<sup>38</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018R1046>

<sup>39</sup> Articles 151 and 200(3) FR

<sup>40</sup> Article 200 FR

<sup>41</sup> Article 149(5) FR

Courier	24:00 CET	Deposit slip of courier service	Technical operational Issues Log Book programme support action
In person (hand delivery)	17:00 CET	Proof of receipt, signed and dated by the official in the central mail department who takes delivery	European Commission Directorate-General for Mobility and Transport – Unit C.4 For the attention of Alice Polo

- by post (evidence will be constituted by the postmark),
- by hand-delivery, (evidence will be constituted by the acknowledgement of receipt), or
- by courier service (evidence will be constituted by the acknowledgement of receipt).

Mail can be received from Monday to Friday (07.30 - 17.30). The service is closed on Saturdays, Sundays and official holidays of the contracting authority.

Applications sent by fax or e-mail will not be accepted.

**Due to the exceptional circumstances of the COVID pandemic crisis, applicants are requested to send in addition to the paper format, also a scanned electronic version to [MOVE-C4-IssuesLogBook-PSA@ec.europa.eu](mailto:MOVE-C4-IssuesLogBook-PSA@ec.europa.eu)**

➤ Contacts

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➤ Annexes:

- Application form
- Checklist of documents to be provided
- Model grant agreement with Annexes I, II, III, IV, V
- Financial and technical report template
- Template of Terms of reference for the certificate on the financial statements
- Budgetary annex
- Declaration of Honour
- Bank Account Form (to be filled in only by the coordinator)
- Legal Entity Form
- Member State agreement form

## Appendix

### Specific conditions for direct personnel costs

#### 1. Calculation

The ways of calculating eligible direct personnel costs laid down in points (a) and (b) below are recommended and accepted as offering assurance as to the costs declared being actual.

The Commission may accept a different method of calculating personnel costs used by the beneficiary, if it considers that it offers an adequate level of assurance of the costs declared being actual.

#### **a) for persons working exclusively on the action:**

*{ monthly rate for the person*

*multiplied by*

*number of actual months worked on the action }*

The months declared for these persons may not be declared for any other EU or Euratom grant.

The **monthly rate** is calculated as follows:

*{ annual personnel costs for the person*

*divided by 12 }*

using the personnel costs for each full financial year covered by the reporting period concerned.

If a financial year is not closed at the end of the reporting period, the beneficiaries must use the monthly rate of the last closed financial year available;

#### **b) for persons working part time on the action**

(i) If the person is assigned to the action at a fixed pro-rata of their working time:

*{ monthly rate for the person multiplied by pro-rata assigned to the action*

*multiplied by*

*number of actual months worked on the action }*

The working time pro-rata declared for these persons may not be declared for any other EU or Euratom grant.

The monthly rate is calculated as above.

(ii) In other cases:

*{hourly rate for the person multiplied by number of actual hours worked on the action}*

or

*{daily rate for the person multiplied by number of actual days worked on the action}*

(rounded up or down to the nearest half-day)

The number of actual hours/days declared for a person must be identifiable and verifiable.

The total number of hours/days declared in EU or Euratom grants, for a person for a year, cannot be higher than the annual productive hours/days used for the calculations of the hourly/daily rate. Therefore, the maximum number of hours/days that can be declared for the grant are:

*{number of annual productive hours/days for the year (see below)}*

*minus*

*total number of hours and days declared by the beneficiary, for that person for that year, for other EU or Euratom grants}.*

The '**hourly/daily rate**' is calculated as follows:

*{annual personnel costs for the person*

*divided by*

*number of individual annual productive hours/days}* using the personnel costs and the number of annual productive hours/days for each full financial year covered by the reporting period concerned.

If a financial year is not closed at the end of the reporting period, the beneficiaries must use the hourly/daily rate of the last closed financial year available.

The 'number of individual annual productive hours/days' is the total actual hours/days worked by the person in the year. It may not include holidays and other absences (such as sick leave, maternity leave, special leave, etc). However, it may include overtime and time spent in meetings, trainings and other similar activities.

## **2. Documentation to support personnel costs declared as actual costs**

For **persons working exclusively on the action**, where the direct personnel costs are calculated following **point (a)**, there is no need to keep time records, if the beneficiary signs a **declaration** confirming that the persons concerned have worked exclusively on the action.

For **persons assigned to the action at a fixed pro-rata of their working time**, where the direct personnel costs are calculated following **point (b)(i)**, there is no need to keep time records, if the beneficiary signs a declaration that the persons concerned have effectively worked at the fixed pro-rata on the action.

For **persons working part time on the action**, where direct personnel costs are calculated following **point (b)(ii)**, the beneficiaries must keep **time records** for the number of hours/days declared. The time records must be in writing and approved by the persons working on the action and their supervisors, at least monthly.

In the absence of reliable time records of the hours worked on the action, the Commission may accept alternative evidence supporting the number of hours/days declared, if it considers that it offers an adequate level of assurance.