EUROPEAN COMMISSION
Directorate General for Transport and Mobility

Directorate C – Land
Unit C4 – Rail Safety and Interoperability

CALL FOR PROPOSAL for TWINNING II

"Enhancing the cooperation between Railway Stakeholders for improving safety culture"

Reference number MOVE/C4/2020-103

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 "safe and secure infrastructure", implemented by means of a grant to support a twinning programme for management staff of rail infrastructure managers with safety responsibility.

Given that it requires a particular type of body on account of its technical competence and administrative power, this Programme Support Action will be implemented through a grant awarded without a call for proposals to rail infrastructure managers, an association of rail infrastructure managers, railway undertakings, national safety authorities and national investigation bodies.

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

The Railway Safety Directive 2004/49/EC and the new Rail Safety Directive 2016/798 that replaces it from 16 June 2020 (but already in force for 8 member states), establish rules for development and improvement of safety on the Union's railways, including common principles for the management of railway safety. Article 9 of the Directive provides that infrastructure managers and railway undertakings shall establish their respective safety management systems, i.e. the organisation and arrangements to ensure the safe management of its operations.

The objective of this Programme Support Action is to assist the European rail sector in sharing knowledge and best practices on safety culture to support new approaches to safety management.

The action should result in a shared understanding of what are the possible opportunities, benefits but also blockers to a more mature and just safety culture. It shall prepare grounds for implementation for occurrence reporting.

3. TIMETABLE

	Steps[1]	**Date and time or indicative period**
(a)	Publication of the call	Beginning of September 2019
(b)	**Deadline for submitting applications**	15/11/2019 – 23:59
(c)	Evaluation period	Second half of November 2019
d)	Information to applicants	b) + 1 months

[1] *Steps (b), (c), (d) (or equivalent) and (e) to be repeated in case of a two-stage submission procedure*

e)	Signature of grant agreement	d) +1 month

4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of projects under this direct grant is estimated at 400.000 € as provided for in the Commission Implementing Decision C(2019) 2743 of 12.04.2019, amending the multiannual work programme 2014-2020 on the financing of the Connecting Europe Facility - Transport sector.

This amount is subject to the availability of the appropriations provided for in the draft budget for 2020 after the adoption of the budget for 2020 by the budgetary authority or provided for in the provisional twelfths.

The maximum grant will be 400.000€

The Commission will fund one proposal from a consortium. 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[2]

6.1. Eligible applicants

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.

For British applicants: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis

[2] *Articles 194(1)(b) and 197 FR*

of Article II.16.3.1 (a) (change of the legal situation of the beneficiary) of the grant agreement.

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.

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, may take part in the action as affiliated entities, and may declare eligible costs as specified in section 11.2.

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

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

Implementing bodies

"Implementing body"[3] 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

Consortium requirements

- In order to be eligible, a proposal must be submitted by a consortium composed of at least 12 legal entities of the ones listed below (NIBs, BSA, infrastructure managers and RU) ;
- The Consortium must include each of the following stakeholder groups
  - National investigation bodies (NIB)
  - National safety Authority (NSA)
  - Infrastructure manager (as defined in point (2) of Article 3 of Directive 2012/34/EU);

[3] 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

- Rail 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).

In the twinning programme, one or several individuals with responsibility in the organisation for development and implementation of safety culture in the organisation shall be identified within each stakeholder to lead their organisations participation in the twinning programme. Each identified twin partner shall be grouped with a colleague/s or teams in one or more other national networks interested in a broadly similar development area. A detailed work programme should be developed for each twinned group during the course of the action.

To guarantee the internal coordination of the Twinning, the participants of the consortium will identify one up to four individuals (one per type of stakeholder) as coordinators. Their main role will be to act as interlocutors of the consortium with the European Commission and coordinate the activities of the consortium. Administrative and project management task can be subcontracted according to 11.2.1. Eligible direct costs

All responsibilities engaged after the signature of the grant agreement will be shared among the participants of the Consortium.

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 documentation, 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[4].

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

[4] 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 infrastructure manager:** the safety authorisation delivered by the National Safety Authority,

6.2. Eligible activities

The Twinning program will be implemented through the following activities:

- **Kick-off workshop:** A workshop will be organised between the participants, the European Railways Agency and the European Commission. This workshop will set the definitive goals and technical framework for the action.

- **Action plan**: After the workshop, the consortium will deliver an action plan for the twinning. Once approved by the Commission (with the advice from the European Railways Agency) , it will be sue as route map for the twinning

- **Structured twinning activities:** during this fase, will take place the Implementation of the activities describe in the action plan; including peer review; exchange of best practise in active on the spot learning; assessment of suitable IT tools; or any other tools. This will take place in 2 phases, with an evaluation in the middle.

- **Mid-action evaluation** – After one year of the twinning activities, the consortium will deliver a report on the status of the programme and the goals achieved. Based on this, the European Commission, in collaboration with the European Railways Agency, will deliver its recommendation (if need) to be implemented in the second phase of the twinning actions.

- **Final Conference** : After the end of the twinning actions a final conference will be organised by the Consortium in Brussels to present the outcome of the programme for the participants and the useful lessons to share with EU stakeholders in the field of rail safety.

- **Final report** : After the conference, the Consortium will deliver a report and the info sharing instruments (report, IT-tool, training, other) agreed with the Commission.

Deliverables

Beneficiary Consortium must deliver at least the following documents:

- Detailed Action plan, by the end of month 2,
- Progress Report: after 12 months from the start of the structured twinning activities, 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

1) Activities must start between 1st January 2020 and 31st June 2020;
2) Kick-off workshop : No later than 2 months after the grant agreement

3) Action plan – No later than 1 month after the Kick-off workshop

4) 1st phase of twinning activities – For 12 months after the approval of the action plan.

5) Mid-action evaluation – Delivery of the report after the 12 months of the 1st phase.

6) 2nd phase of twinning activities – For 12 months after the issue of the recommendations by the Commission.

7) Final Conference – no later than 2 months after the end of the 2nd phase.

8) Final report and dissemination material –. No later than 2 months after the final conference.

Upon request of the consortium and approval of the European Commission, the calendar may be reschedule 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 this grant documentation will not be accepted.

6.3. Twinning content

To be eligible for funding the twinning programme the proposals should cover the following issues, in particular:

(1) safety management and behaviours;

(2) development of common principles for management of railway safety;

(3) occurrence reporting and use of information safety-related tools (E-rail, SAIT, own resources) ;

(4) transition towards a more mature safety culture;

(5) implementation of safety culture and management, both within organisations and cross-border.

Considering the main goal of facilitating the goals mentioned above, The European Union Agency for Railways (ERA) will monitor and will be available to provide guidance to the participants to guarantee the best outcome.

A non exhaustive list of exchange examples topics within the activities eligible for funding are reported below:

- Development of safety awareness/culture/commitment within organisations
- Exchanges on technical and behavioural failures related to safety management
- Sharing operational definition of safety concepts
- Transposition of successful stories in different organisations and national frameworks
- Sharing knowledge on safety systems, processes, tools and behaviours

- Identification of benefits of safety management and reporting
- Safety conversations
- Safety resources needs and management
- Identification and management of blocking points for the development of a safety culture
- Cross-border integration of safety processes used in different countries
- Analysis of incident and accident data, occurrence reporting
- Leveraging the exchange of experts to increase the level of safety awareness and commitment within hosting organisations.
- Peer review exercises

The proposal should include an initial planning and activities, indicating the shared elements among the participants' activities and the cooperation role envisaged to the European Union Agency for Railways.

7. EXCLUSION CRITERIA

7.1. Exclusion

The authorising officer shall exclude an applicant from participating in the call procedures 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[5]

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 procedure

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

(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) 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

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

[5] *Article 136(7) FR*

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

8.1. Financial capacity

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

Applicants 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 (≤ EUR 60 000):

- a declaration on their honour.

b) Grants > EUR 60 000:

- a declaration on their honour, and

EITHER

- the profit and loss account as well as the balance sheet for the last <…> financial year[s] 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.

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

a) Grants for an action > EUR 750 000 or operating grants > EUR 100 000[6]:

(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.

[6] *Article 196(d) FR.*

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

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action. 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
- The organisation's activity reports on the area of safety

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

9. AWARD CRITERIA

Only proposals compliant with the eligibility and selection criteria will be evaluated against the award criteria. The decision to grant EU financial assistance will take into account the following criteria:

1.-Relevance (40%)

This refers to the contribution of the proposed Action to:

- objectives described in this Work Programme

- the EU added value - how the Programme Support Action will increase the EU added value

In particular, this criterion will assess how the proposal contributes to achieving the objective of the action, sharing practices and know-how for the promotion of a safer, secure and high-quality rail infrastructure. In particular, the relevance of the expected output will be assessed, with reference to:

- coverage of the actions indicated in point 6.3 of this call
- the enhancement of the cooperation between EU/EFTA railway stakeholders for better safety management and other stakeholders and creation of permanent cooperation initiatives;
- Establishment of on-line knowledge sharing tools, accessible for twinning participants and non-participants stakeholders.
- the improvement of safety on the Union's railways, including common principles of the management of railway safety, as established in the Railway Safety Directive 2016/798);
- the contribution to ensuring sustainable and efficient rail transport systems in the long run in the EU/EFTA;
- the understanding of possible blockers to a more mature and just safety culture in the EU/EFTA;
- the impact and generation of documentation aimed for dissemination and sharing of expected results.

2.- Maturity of the plan proposed (20%)

This refers to the state of preparation of the proposed Action and the readiness to start the implementation of the proposed activities. The organisation of the consortium to achieve the objectives of the twinning programme will be assessed, including criteria based on which the staff participant to the twinning programme will be selected (in the case of infrastructure managers and railway undertakings management staff with a safety responsibility).

3.- Impact (25%)

This refers to the expected effect of the EU financial support on the specific objectives and tasks defined in the Work Programme, also the adequate and balanced representation of the European countries within the consortium will be assessed.

To guarantee the transversal opportunities of learning and maximize the impact in the rail sector, it will be positively consider the presence in the consortium of the 3 different types of stakeholders (Infrastructure managers, National Safety Authorities and National Investigation Bodies) and also implementing bodies as railway undertakings.

4.- Quality (15%)

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, 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. with reference to the contents of the twinning exchanges.

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

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 applicant, as well as the information on the procedure to formalise the agreement of the parties.

Two copies of the original agreement must be signed by the beneficiary (coordinator/s on behalf of the consortium) and returned to the Commission immediately.

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. Form of the grant

11.1.1 Reimbursement of costs actually incurred

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

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

11.2. Eligible costs

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;
    - The period of eligibility of costs will start as specified in the grant agreement.

- 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) 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'

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**[7]

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.

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 or work programme,
- financial contributions from third parties.

Overall co-financing[8] 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

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7 *Article 196(1)(e) FR*

8 *Article 190 FR*

‘Profit’ means the surplus of receipts over the total eligible costs of the [action][work programme], where receipts are the amount obtained following Steps 1 and 2 plus the revenue generated by the [action][work programme] 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][work programme] 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 of the action approved by the Commission.]

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

11.7.1 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:

Payment request	Accompanying documents
A **pre-financing payment** corresponding to 35 % of the maximum grant amount]	(a) Draft action plan (b) financial guarantee (if requested, see section 11.7.2)
interim payment: 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) Approved action plan (d) Mid-action report (e) interim financial statement (f) a certificate on the financial statements and underlying accounts

Payment of the balance 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[9].	(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]

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

11.7.2 Pre-financing guarantee

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.

11.7. **Other financial conditions**

a) <u>Non-cumulative award</u>

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

[9] *Article 115(2) FR*

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.

b) Non-retroactivity

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

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[10] or contracting entities within the meaning of Directive 2014/25/EU[11] 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

[10] 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)

[11] 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)

- 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;

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

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

The applications may envisage provision of financial support to third parties. In such case the applications must include:

- an exhaustive list of the types of activities for which a third party may receive financial support [out of the following fixed list:
- the definition of the persons or categories of persons which may receive financial support
- the criteria for awarding financial support
- The amount of financial support per third party must not exceed 60.000€

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

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[12] if he/she is domiciled within the EU or equivalent if domiciled outside the EU;
- subject of the grant;

[12] 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.

– 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 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[13]. For more information see the Privacy Statement on:

https://ec.europa.eu/info/data-protection-public-procurement-procedures_en.

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

Proposals must be submitted 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.

Applicants will be informed in writing about the results of the selection process.

- **Submission on paper:**

Application forms are annexed to

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:

Means of submission	Time limit	Evidence of dispatch	Address for delivery

[13] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018R1046

Post	**24:00 CET**	Postmark	""Enhancing the cooperation between Railway Stakeholders for improving safety culture" – Twinning programme European Commission Directorate-General for Mobility and Transport – Unit C.4 For the attention of Íñigo Cruz DM28 0/110 B-1049 Brussels Belgium
Courier	**24:00 CET**	Deposit slip of courier service	""Enhancing the cooperation between Railway Stakeholders for improving safety culture"– Twinning Programme European Commission Directorate-General for Mobility and Transport – Unit C.4 For the attention of Íñigo Cruz
In person (hand delivery)	**17:00 CET**	Proof of receipt, signed and dated by the official in the central mail department who takes delivery	

- 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.

➢ **Contacts**

Íñigo Cruz, European Commission, MOVE C4 inigo.cruz-martinez@ec.europa.eu MOVE-C4-TWINNING-PROGRAMME@ec.europa.eu

➢ **Annexes:**

- Application form
- Checklist of documents to be provided
- Model grant agreement
- 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

Electronically signed on 06/09/2019 11:03 (UTC+02) in accordance with article 4.2 (Validity of electronic documents) of Commission Decision 2004/563