



CORRIGENDUM 1
TO
GUIDELINES FOR APPLICANTS AND ANNEX G-STANDARD GRANT CONTRACT

Call for proposals reference: EuropeAid/154545/DD/ACT/RS

Title: Provision to the improvement of living conditions of IDPs and returnees from readmission process in Serbia and support to the sustainable return to Kosovo*

GUIDELINES FOR APPLICANTS

2.1.5 Eligibility of costs: costs that can be included

Ineligible costs

The following costs are not eligible:

- debts and debt service charges (interest);
- provisions for losses or potential future liabilities;
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union (including through EDF) grant;
- currency exchange losses;
- credit to third parties;
- salary costs of the personnel of national administrations;
- in kind contributions;
- taxes, including VAT, duties and charges;
- profit or surplus of the receipts over the eligible costs: no grant may give rise to profits, i.e. it must only balance income and expenditure for the action.

Please take special note of the provision of Article 14 of General Conditions with regards to eligible and ineligible costs, as well as rules to be respected set by Annex IV related to all secondary procurement activities.

- Is replaced by:

2.1.5 Eligibility of costs: costs that can be included

Ineligible costs

The following costs are not eligible:

- debts and debt service charges (interest);
- provisions for losses or potential future liabilities;
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union (including through EDF) grant;
- purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred, in accordance with Article 7.5 of the General Conditions of the standard grant contract, at the latest at the end of the action;
- currency exchange losses;
- credit to third parties;
- salary costs of the personnel of national administrations;
- in kind contributions;
- taxes, including VAT, duties and charges;
- profit or surplus of the receipts over the eligible costs: no grant may give rise to profits, i.e. it must only balance income and expenditure for the action.

Please take special note of the provision of Article 14 of General Conditions with regards to eligible and ineligible costs, as well as rules to be respected set by Annex IV related to all secondary procurement activities.

ANNEX G-STANDARD GRANT CONTRACT

[Article 7 – Other specific conditions applying to the Action

7.1 The General Conditions in Annex II are supplemented by the following:

If any affiliated entity in line with the guidelines for applicants:

[7.1.x For the purpose of this agreement, the following legal entities are considered as affiliated entities:

- <name of the legal entity>, affiliated to <name of the Beneficiary>;
- <name of the legal entity>, affiliated to <name of the Beneficiary>;

Costs incurred by these affiliated entities may be accepted as eligible, provided the entities concerned abide by all the relevant rules applicable to the Beneficiary(ies) under this Contract.

7.1.x VAT/ taxes, duties and charges are not eligible.

In case the Beneficiary(ies) wants to set a specific exchange rate to be applied to the amount of expenses pre-financed by the Beneficiary(ies) (or other donors) at the end of the action (amount of the balance);

[7.1.x - The exchange rate to be applied in case of a positive balance pre-financed by the Beneficiary(ies) (or other donors) at the end of the Action is <enter applicable rule/criteria to determine the exchange rate> according to the usual accounting practice of the Beneficiary(ies).

Apportionment for costs of local infrastructure in the partner country (field office)¹

[7.1.x - Where the implementation of the Action requires the setting up or the use of local infrastructure in the partner country (field office), the Beneficiary(ies) may declare as eligible direct costs the portion of capitalised and operating costs of the local infrastructure which corresponds to the duration of the Action at the rate of use of local infrastructure for the purpose of the Action, determined by the Beneficiary(ies) on the basis of a simplified allocation method, provided that the allocation method is:

- compliant with the Beneficiary(ies)'s usual accounting and management practices and applied in a consistent manner regardless of the source of funding, and
- based on an objective, fair and reliable allocation key .
- assessed and accepted by the evaluation committee, where applicable, and the Contracting Authority at the time of contracting.

In case costs are reported on the basis of a simplified method of allocation, adequate record and documentation must be kept by the Beneficiary(ies) to prove the compliance of the allocation method used with the conditions set out above.

7.2 The following derogations from Annex II shall apply:

Done in English in three originals, two originals being for the Contracting Authority and one original being for the Beneficiary(ies).

- Is replaced by:

[Article 7 — Other specific conditions applying to the Action

7.1 The General Conditions in Annex II are supplemented by the following:

If any affiliated entity in line with the guidelines for applicants:

[7.1.x For the purpose of this agreement, the following legal entities are considered as affiliated entities:

- <name of the legal entity>, affiliated to <name of the Beneficiary>;
- <name of the legal entity>, affiliated to <name of the Beneficiary>;

Costs incurred by these affiliated entities may be accepted as eligible, provided the entities concerned abide by all the relevant rules applicable to the Beneficiary(ies) under this Contract.

If financial support is provided for in the guidelines for applicants:

[7.1.x Financial support to third parties may only be awarded in compliance with the conditions set in the Guidelines for applicants and in accordance with the criteria and conditions laid down in the Description of the Action in Annex I.

optional

[The maximum amount of financial support per each third party is limited to [EUR] [<ISO Code of Contracting Authority currency>] <60.000 or less >.]

optional

[Financial support is one of the main purposes of the Action.]

¹ To be inserted where the specific action requires it.



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In case the Beneficiary(ies) wants to set a specific exchange rate to be applied to the amount of expenses pre-financed by the Beneficiary(ies) (or other donors) at the end of the action (amount of the balance):

[7.1.x -The exchange rate to be applied in case of a positive balance pre-financed by the Beneficiary(ies) (or other donors) at the end of the Action is <enter applicable rule/criteria to determine the exchange rate> according to the usual accounting practice of the Beneficiary(ies).

Apportionment for costs of local infrastructure in the partner country (field office)²

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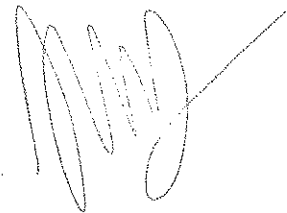
- compliant with the Beneficiary(ies)'s usual accounting and management practices and applied in a consistent manner regardless of the source of funding, and
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All other terms and conditions of the Call for Proposal remain unchanged. The above amendments are integral part of the Guidelines for Applicants and Annex G-Standard Grant Contract.



² To be inserted where the specific action requires it.