

BESTLIFE2030 – 1st Call for Proposals

Full proposal phase – Finance Info Session on Full Proposal Development

Consulta Europa Projects & Innovation

April 2024



Coordinator



Partners



Donors



Co-funded by
the European Union



Agenda

1. Introduction
2. Budget preparation
3. Risk assessment
4. Supporting documents
5. Summary & tips

Eligibility of the costs (Art.6.1) - *reminder*

- Incurred during the project period: neither before the effective start date of the contract nor after its end date (*dates can always be checked in the signed grant agreement*);
- There is a budget line foreseen in the approved budget of the project;
- Necessary and relevant for the implementation of the project;
- Reasonable, justified and consistent with the principles of sound financial management;
- Identifiable and verifiable (recorded in the beneficiary's account, specific project code is recommended);
- Compliant with the requirements of the applicable legislation (tax, labour and social security, procurement...)

Ineligible costs and contributions (Art.6.3) - *reminder*

Costs or contributions that do not comply with the conditions set out above (Article 6.1), in particular: (read meaning the most commons)

- (i) costs related to return on capital and dividends paid by a beneficiary
- (ii) debt and debt service charges
- (iii) provisions for future losses or debts
- (iv) interest owed
- (v) *currency exchange losses*
- (vi) *bank costs charged by the beneficiary's bank for transfers from the granting authority (whose bank account is in Brussels)*
- (vii) excessive or reckless expenditure
- (viii) *deductible or refundable VAT (including VAT paid by public bodies acting as public authority)*
- (ix) costs incurred or contributions for activities implemented during grant agreement suspension
- (x) *in-kind contributions (non financial resources made available free of charge)*

2. Budget preparation full proposal

Key points:

- Same rules apply to the entire project, the 95% funded by CINEA and the 5% of co-financing
- A 5% of co-funding of the total eligible cost is required

Volunteering can be considered as own resources to define EU contribution

- Staff costs (types)*
- Simplified cost option (SCO) for staff costs (recommended)
- Travel costs
- Simplified cost option for Km and *per diems* (compulsory)
- Other cost categories
- Project duration and cash flow
- Grants portal (how to fill in and submit the application)

new

2.1.Co-funding. Volunteers

Definition: persons working for the beneficiary on a non-compulsory basis and without being paid. Their work must be declared as unit costs.

Calculation of the unit cost:



In a 24-month project

Example 1: volunteer working full time for 3 months in Macaronesia region (i.e. 78€ daily rate)

*Day-equivalents worked in the action: $((215/12) * 3) * 1 = 53,75$*

*Total project costs: $78 * 53,75 = 4.192,5€$*

Example 2: volunteers working half-time for 15 months in French Guiana (i.e. 131€ daily rate)

*Day-equivalents worked in the action: $(215/12) * 15 * 0,5 = 134,38$*

*Total project costs: $131 * 134,38 = 17.603,13€$*

Co-funding. Volunteers

Daily rate for volunteers in € (Annex 2.a):

- *Macaronesia (Spain, Portugal): 78€*
- *French Guiana, Martinique, Guadeloupe, Saint Martin (French part), Saint Pierre et Miquelon, Indian Ocean, New Caledonia, Wallis et Futuna and French Polynesia, (French ORs and OCTs): 131€*
- *Aruba, Bonaire, Curaçao, Sint Maartin (Dutch part) , St Barthelemy,(Dutch ORs and OCTs) Greenland (Denmark OCTs): 157€*

Should be included in cost category 1: staff costs/human resources. Please include one budget line per volunteer foreseen*

Volunteers should fill in timesheets, thus recording monthly working days on the project. You can use the timesheet you have in your organisation providing they include the following data: month, days worked on the action, project number, signature of the volunteer and signature of the supervisor. Timesheet templates can be provided if necessary

* *Depending on grants portal development can be placed directly on budget line for co-financing*

2.2. Staff costs. Employees

Definition: Costs for employees that work on the project on the basis of an employment contract, equivalent appointing act, internal written instructions, organisation chart or other documented management decision (**cost category 1**)

- Eligible costs: gross salary, social security (mandatory employers and employee contributions), fixed allowances (e.g. family allowance, contributions to medical insurances schemes), taxes linked to remuneration, other payments like 13th salary, Christmas pay, lunch vouchers, “prime de precarite” (if applicable), and paid in accordance with national law, the collective labour agreement and the employment contract/equivalent appointing act (see following slide)
- Indicate preferred option (a) simplified costs (SCO) or (b) reimbursement of real costs
- Budget in days, maximum 215 days in calendar year (for all EU projects), and based on timesheets
- **Each person = separate line**; sequential numbering for each budget line (Cost category 1)
- Please specify if the worker is within the applicant or within the co-applicant staff
- If working half-time, the percentage must be applied to the number of units (days) and NOT to the value

Staff costs. Employees

Calculation (employee/project):

Staff costs=

Day-equivalents
worked on the action
(maximum 215 days
per calendar year)

X

Eligible cost per
employee for the entire
period of the project

Example of a 24-month project. When budgeting, you need to have the data for columns in red. Column G and H, will be fill in for the reporting periods.

A. Employee position (please specify applicant or co-applicant)	B. Max. declarable day-equivalents	C. Nr of months the person is employed during the project implementation	D. Working time factor (1= full time, 0,5=half time, etc...)	E. actual personnel costs for the duration of the project	F. Daily rate	G. Day equivalents worked for the project (see timesheets)	H. Eligible personnel cost
1. project manager (applicant)	430.0	24.0	1	49,000.00 €	113.95	430	49,000.00 €
2. employee 2 (applicant)	268.8	15.0	1	24,000.00 €	89.30	268.8	24,000.00 €
3. employee 3 (co-applicant)	206.0	23.0	0.5	49,000.00 €	237.82	206	49,000.00 €

2.3. Staff cost. Natural persons beneficiaries without salary and SME owners

(Decision C(2022)7115-Commission Decision of 20 October 2020).

Annex 2a

new

Definition: Self-employee natural persons (e.g. in house consultants).

Requirements: A contract signed between the beneficiary* and the natural person (not through another legal entity) or a contract signed between the beneficiary and a legal entity fully owned by the natural person (and which has no other staff).

* applicant/co-applicant of the CN selected



Daily rate calculated according to the following formula:

EUR 5 080/18 days= 282,22€ (with small correction depending on the country)

Number of days: days spent working on the action (rounded up or down to the nearest half/day)

Staff cost. Natural persons beneficiaries without salary and SME owners

(Decision C(2022)7115-Commission Decision of 20 October 2020). Annex 2a

Other eligibility requirements:

- The person must work under conditions similar to those of an employee
- The result of the work carried out must in principle belong to the beneficiary
- The costs of the person must not be significantly different from costs for employees of the beneficiary performing similar tasks.
- The costs must correspond exclusively to the remuneration of the person and related eligible taxes.

Corrections per region/country:

Countries	Country correction
DK	132.00%
ES	91.30%
FR	116.40%
NL	109.60%
PT	84.30%

Successfully implemented in LIFE4BEST & BEST2.0+ grants (90% of the projects used SCO)

2.4. Staff costs. Simplified Cost Option. SCO (recommended)

For staff cost, you have the possibility of establishing a unit cost per day (SCO) to be applied all over the project

- Rates are established during the full proposal stage, validated before the signature of the contract and **cannot change afterwards**

Advantages of SCO	Disadvantages of SCO
Reduces workload at reporting stage	Increase workload at the budget development stage
Simplifies reporting and audit, in terms of supporting documents requirements	Increase the risk of loss for the beneficiary in case the employee cost increases/changes of staff
Reduces the risk of ineligibility as unit cost per employee is fix	

Staff costs. SCO (recommended)

Requirements:

- The use of SCO requires an in-depth **verification** of the data provided by the applicants (historical/current data to validate)
- Once assessed and approved by the Coordinator, the unit value cannot be changed
- The costs reported using this system can be checked by the auditors only in terms of the number of units, correct application of methodology and work performed (outputs)
- Documents to be provided at full proposal budget negotiations: contract/appointing act, job description, two recent payslips
- Documents to be provided at reporting stage: timesheets, evidence of work done

Staff costs. SCO (recommended)

Calculation:

You need to include the data directly in each budget line in the grants portal.

24 month project.

- Number of months the employee will work in the project, Column C
- Time factor, meaning full time, part time,.. Column D
- Total costs of the employee for the duration of the project including all costs, gross salary, social security charges, insurances, ...Column E to G
- The result in Column I, will be the unit cost set for the entire project
- Numbers in black are calculated automatically

A. Employee position (please specify applicant or co-applicant)	B. Max. declarable day-equivalents (215/12)*C*D	C. Nr of months the person is employed during the project implementation	D. Working time factor (1= full time, 0,5=half time, etc...)	E. gross salary for the entire project	F. social charges	G. other costs employer (specify)	H=E+F+G. Total costs	I. Daily rate- Unit cost H/B
1. project manager (applicant)	430.0	24.0	1	48,000.00 €	15,000.00 €	3,000.00 €	66,000.00 €	153.49
2. employee 2 (applicant)	268.8	15.0	1	24,000.00 €	5,000.00 €	2,000.00 €	31,000.00 €	115.35
3. employee 3 (co-applicant)	206.0	23.0	0.5	35,000.00 €	15,000.00 €	1,500.00 €	51,500.00 €	249.95

Staff cost. SCO. Example

Approved budget

- A park ranger assistant was budgeted for two hundred days at unit value of 105€

Cost	Unit	# of units	Unit value (€)	Total cost (€)
Park Ranger Assistant	day	200	105	21.000

Reporting template

- If timesheets show that a park ranger assistant worked for 50 days during the reporting period, you must report 50 units at the agreed unit price of €105

Cost	Unit	# of units	Unit value (€)	Total cost (€)
Park Ranger Assistant	day	50	105	5.250

Changes in the unit cost

- The changes in the unit cost do not affect the reporting
- If the actual daily cost of a park ranger assistant is €101, you will still use the agreed rate of €105
- Conversely, if the unit cost is found to be higher than the agreed rate, you are still obliged to use the fixed rate and absorb the loss

2.5. Travel and subsistence (Travel, accommodation, subsistence and fuel)

Purchases for travel, accommodation and subsistence must be calculated as follows: **(cost category 2)**

- Travel: flights, trains, busses, ferry. On the basis of the actual costs incurred and in line with the beneficiary's usual practices on travel
- Accommodation: on the basis of actual costs and in line with the beneficiary's usual practices on travel and within the maximum EU rates. (can be also combined with the budget line for subsistence and reported as SCO)

SCO for subsistence and fuel (compulsory)

- Subsistence: on the basis of per diems, in line with the beneficiary's usual practices on travel or official rates (i.e. taux Urssaf, BOE dietas,...) and within the maximum EU rates (*we recommend to draft a per diem policy in case the beneficiary doesn't have it*)
- Fuel costs for travelling by own or rental car/boat/vehicle: On the basis of km travelled in line with the beneficiary's usual practices or official rates (i.e. taux Urssaf, BOE-gastos de locomocion...). Mileage logbook and reports of the activities will be the supporting documents. (No need to provide receipts from the petrol station).

Exception: *if you travel by rental vehicle and the contract includes the fuel, you can declare all costs in cost category 3. A justification of the places visited and distance travelled will be needed.*

2.6. Travel. Subsistence. SCO. Per diem (per day)

Day spent on the field. Example

➤ Budget: The number of days working on the field/travelling

Unit cost = €20,70 (published rate) * number of meals (maximum 2 per day)* 3 days= total cost €124,24

➤ Report: Activity report/ presence list shows 2 days effectively spent on the field/travelling
The costs are calculated as €20,70*2*2days = €82,8

Verification ex-ante for SCO	
Column “Justification” of the unit costs budgeted	Documentation to be provided
<ul style="list-style-type: none">• Describe the need for per diems• Specify location, periods and the number of planned diems• Specify the rates: officially published rates or institutional policy	<ul style="list-style-type: none">• Published rates• or• Institutional policy• Historical data - financial reports for past projects

2.6. Travel. Fuel. SCO per distance travelled (km, nautical miles)

Use of a vehicle. Example

- **Budget:** The number of km to cover with the vehicle owned by the organisation or rented
Unit cost = €0.606/km (published official rates) * number of units 1.000 km = total cost €606
- **Report:** Logbook (mileage log record) shows 1.150 km effectively covered
The costs are calculated as €0.606/km * 1.150 km = €696,9

Verification ex-ante for SCO	
Column “Justification” of the unit costs budgeted	Documentation to be provided
<ul style="list-style-type: none">• Describe the need to use the vehicle• Specify the number of travels or frequency (by month for instance) and the number of km• Specify rates per km	<ul style="list-style-type: none">• Published official rates and /or• Institutional policies and regulations

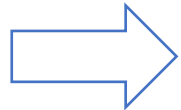
2.7. Equipment and supplies for the project

Rent of vehicles, boats, purchase of furniture, computers, batteries, machines, tools, clothes, spare parts, material for diving,... rented/purchased exclusively for the implementation of the project (**cost category 3**)

They will be declared at actual costs

Examples of budget lines:

- 3.1. Rent of vehicles (number of days, for which activity,..)
- 3.2. Computer equipment (i.e. laptop and 1 graphic card)
- 3.3. Equipment for 3 staff (globes, boots and trousers)
- 3.4. Purchase of plants nursery, seeds, ...



Please fill in with as much details as possible in the “justification” column of the budget

Bear in mind that if you buy a computer a few months before the project ends, you might need to declare a pro-rata of the cost incurred.

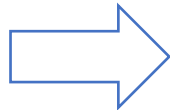
2.8. Other costs and services (including subcontracting)

Publications, studies, cost of translations, conferences and seminars, visibility actions, trainings,... in general, all services where a contract/agreement between two parties is signed. *Usually, these costs are linked to concrete deliverables and activities (cost category 4)*

They will be declared as actual costs

Examples of budget lines:

- 4.1. Training
- 4.2. Visibility actions/communication
- 4.3. Cost of conferences/seminars (2 conferences, 1 seminar)
- 4.4. Publications
- 4.5. Accountant services



Please include one budget line per service/contract.

It is recommended a maximum of 30% of the total budget. Please do not forget that core activities can't be externalized

Subcontracting costs. Rules

Subcontracting costs for the action are eligible, if they are calculated on the basis of the costs actually incurred, fulfil the general eligibility conditions and are awarded using the beneficiary's usual purchasing practices — provided these ensure subcontracts with best value for money (or if appropriate the lowest price) and that there is no conflict of interests (Art. 12 of GA). They should comply with national law on public procurement.

- Purchases with a cost of less than 5.000€ can be made through “single sourcing”. Competitive bids are not required. Research should be made of available suppliers and the procurement decision should ensure best value for money. A record of activities carried out to ensure value for money must be kept on file.
- Purchases from 5.501 up to 25.000€
 - Goods: must be based on written quotations received from at least three potential suppliers. They must include the price, the description and quantity of the goods, as well as the delivery time and place.
 - Services: All purchases of services must be contracted on the basis of a written document that includes fixed outputs and specific payment terms. Fees may be paid on an hourly/daily rate, or on a fixed fee basis. All fees paid to individuals must be consistent with previous salary/fee history and must be competitive and in line with established norms for the type of work to be performed
- For more than 25.001€, a competitive procedure is needed

If a contract covers only individual equipment or consumables that do not constitute an action task by itself, this will be considered as equipment (cost category 3)

2.9. Indirect costs

Definition:

Costs incurred in carrying out the action (i.e. office rental*, supplies like water, electricity, office supplies, internet costs, ...), that are necessary for the implementation of the project, but they are not easy divisible between all the projects the organisation is managing.

Indirect costs are eligible provided they do not include costs assigned to another budget heading. They must not exceed 7 % of the estimated total eligible direct costs (flat-rate)

The lead applicant may be asked to justify the percentage requested before the grant contract is signed. However, once the flat rate has been fixed in the Special Conditions of the grant contract, no further supporting documents need to be provided.

**There is no dedicated cost category for local offices as in previous LIFE4BEST programme*



2.10. Project duration and cash flow

- *Cash flow:*

Fill in the budget you might need for the first 9 months of the project implementation - **Budget for the first period**. This will be the amount for the first advance payment after the contract signature. *It is not recommended to go up 50% of the total budget unless justified reasons.*

Within each interim report you will have the option of requesting successive advance payments based on your estimations for the next period. The idea behind this procedure is to support you with the necessary cashflow for the project implementation.

Notice that the last 10% of the eligible costs will be reimbursed after the project is closed and the costs are validated.

- *Project duration:*

The maximum duration of your project is 36 months, **including any possible extension**. Depending on that duration, reporting periods will vary, but they can't go over more than a year.


Example: 24-month, starting on 1st September 2024 running until 3 August 2026

1st reporting period: From 1/09/2024 until 31/05/2025 (9 months). Report due on 30/06/2025

2nd reporting period: From 1/06/2025 until 28/02/2026 (9 months). Report due on 31/03/2026

3rd and last reporting period : From 1/03/2026 until 31/08/2026 (6 months). Report due on 31/10/2026

Should this project be extended for any reason, no such extension shall amend the end date beyond 31/8/2027



2 months
to prepare
final report

2.11. Grants Portal

For applicants -
BESTLIFE2030
<https://bestlife2030.org/for-applicants/>

The aforementioned cost categories will be displayed in the portal budget section as follows:

IUCN IUCN Grants Portal

Application Back Print Share Help

NARRATIVE 26 LOGICAL FRAMEWORK & MONITORING PLAN SAFEGUARDS **BUDGET** CHECKLIST & SUBMISSION

BUDGET [Click here for more info](#) Import / Export Previous Continue

Budget Categories	Implementation period					Period 1 project implementation					Detailed Explanation and Justification
	Type of Cost	Unit	Number of Units	Unit Value	Total Cost	Type of Cost	Unit	Number of Units	Unit Value	Total Cost	
1. Personnel costs - (gross salary+employer costs +social charges and other related costs)											
Add											
Personnel costs - (gross salary+employer costs +social charges and other related costs) Subtotal											
2. Travel (international travel, local travel, accomodation and subsistence)											
Add											
Travel (international travel, local travel, accomodation and subsistence) Subtotal											
3. Equipment and supplies for the project											
Add											
Equipment and supplies for the project Subtotal											
4. Other costs, services											
Add											
Other costs, services Subtotal											
5. Subtotal Direct Eligible Costs											
6. Indirect Costs ?											
7. Total project budget											
8. Cofinancing ?											
9. Donor contribution											

Previous Continue

3. Risk assessment (Due Diligence)

IUCN risk assessment is based on the answers provided by applicants in their self-assessment, taking into account the coherence with the documents provided. The final score is accompanied by a recommendation to the BESTLIFE2030 team. However, it is not an exclusion criterion following Art. 2 of the guidelines.

High risk scores will lead to implement some mitigation measures, such as closer monitoring from regional hubs and IUCN, heightened reporting, support from co-applicant...

Some applicants have been requested in their notification letters to provide missing documents. These documents are compulsory to provide, and the grant agreement won't be signed without them. If they are not available, a justification should be provided and IUCN will decide case by case. If necessary, a new risk assessment could be done to the organisations that have been deemed high-risk.

4. Supporting documents (SCO and reporting phase)

SCO staff costs.

- At the FP phase, you need to provide contract and payslips for all the employees.
- During reporting phase, you will have to provide timesheets and proof of payment. No need to provide again the contract and payslips every month.
- If it is a new position within the organisation, and you want to use SCO, you might need to provide documents of similar positions in your region or ultimately go to actual cost and provide all the documents once the employee is recruited.

SCO travel costs

- *A mileage log record, per vehicle used to justify km travelled*
- *Report of activities, memorandums, pictures, presence list,... to justify the visits*

Other costs

- *Invoice, proof of payment and quotes, if necessary, consultancy contracts,...*

4. Supporting documents (SCO and reporting phase)

SCO staff costs Note:

What's the point for a project holder to choose the SCO instead of real costs ?

Choosing SCO allows one to establish the basis on which regular costs are calculated.

If you establish that person A is paid EUR 200 per month, that rate is agreed upfront and does not to be justified at every reporting cycle. However, at the reporting stage, 2 things need be established:

- a) That the said person worked for the project – Timesheet
- b) That a payment from the employer to the employee took place – proof of payment

Supporting documents

- The budget must be in EURO
- Reporting will also be in EURO
- To convert the costs incurred in the currency of your books during the implementation of the project:
 - Go to the website:
http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/index_en.cfm
 - Extract csv file with the rates from local currency to euro for the period of the report
 - Calculate the average rate and apply to the costs
- If there is any revenue from the project, this needs to be notified and eligible costs will be adapted.
- Once full proposals are selected and grant contracts are signed, a dedicated financial info session on reporting will be prepared.

Tips

- ✓ Start the project on the first day of the month. This way at the reporting stage, you avoid any prorated or timesheets covering two reporting periods.
- ✓ Ensure inclusion of all and complete costs of employment as foreseen. Reporting phase (financial and technical) usually requires more time than expected.
- ✓ Think carefully the number of staff members you might need. Per each of them, timesheets will be required.
- ✓ Be coherent between the activities you are going to implement and the budget.
- ✓ Think about equipment needed. Details and justifications are necessary.
- ✓ Negotiate with your bank the charges for receiving international transfers. Bank charges are not eligible costs.
- ✓ Keep all the documents for 5 years, as the donor can visit you anytime after the project ends.
- ✓ Do not hesitate to contact your regional hub or IUCN should you have any questions.

Summary

- Each proposal needs a project coordinator responsible of the implementation and contact point for the regional hubs and IUCN
- External parties (service providers, consultants, etc.) cannot be included in staff costs but in other costs
- Foresee a budget line for communication/visibility actions
- Design your project taking into account the time you need to purchase and receive the equipment
- You have to declare and report the total budget including the 5% of co financing. After each interim report, the costs reported are checked against eligibility and validated or clarifications are asked
- Think about the cashflow you will need for the next period following your calendar of activities
- If necessary, you can increase the requested grant amount presented at the full proposal stage up to a maximum of 25% from concept note
- During implementation of the project, a maximum of 25% of each cost category can be moved between each cost category without an amendment. Prior communication with the justifications to IUCN is required



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