

Call for proposals EACEA 11/2016



CREATIVE EUROPE

MEDIA Sub-programme

SUPPORT FOR ONLINE DISTRIBUTION

GUIDELINES

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Annexes:

All the annexes are available on the EACEA/MEDIA website:

http://eacea.ec.europa.eu/creative-europe/funding/support-for-online-distribution-eacea-112016_en

GUIDELINES – EACEA 11/2016

Support for Online Distribution

1. INTRODUCTION – BACKGROUND

These guidelines are based on Regulation No 1295/2013 of the European Parliament and of the Council of 11/12/2013 concerning the implementation of a programme of support for the European cultural and creative sector (CREATIVE EUROPE) and the corrigendum of the 27/06/2014.¹

The European Commission is responsible for the implementation of the Creative Europe Programme and for the decision to grant individual European Union funds. The Education, Audiovisual and Culture Executive Agency hereafter "the Agency" manages the Culture and MEDIA Sub-programme on behalf and under the supervision of the European Commission.

General background information about the Creative Europe programme can be found on the following link: <http://ec.europa.eu/creative-europe/>.

The supported actions will be divided as follows:

- Action 1 - the award of the 3rd year financial contribution following the signature of a Framework Partnership Agreement for the period 2014 -2016;
- Actions 2 and 3 – annual financial agreements.

Therefore, the Action 1 is strictly devoted to the projects which have been granted a Framework Partnership Agreements signed for the period 2014-2016 within the Call EACEA 16/2014.

The FPA formalises a partnership between the Agency and the selected beneficiaries for three years, to enable them to achieve their longer term objectives.

2. OBJECTIVES – THEMES – PRIORITIES

2.1. Objectives

Within the specific objective of promoting transnational circulation, two of the priorities of the MEDIA Sub-programme shall be to:

- support transnational marketing, branding and distribution of audiovisual works on all other non-theatrical platforms;
- promote new distribution modes in order to foster the emergence of new business models.

The MEDIA Sub-programme shall provide support for the following measures:

¹ Regulation No 1295/2013 published in the Official Journal of the European Union on the 20/12/2013 (OJ L347/221) and 27/06/2014 (OJ L189/260).

- establishing systems of support for the distribution of non- national European films through theatrical distribution and on other platforms, as well as for international sales activities, in particular the subtitling, dubbing and audio description of audiovisual works;
- innovative actions testing new business models and tools in areas likely to be influenced by the introduction and use of digital technologies.

2.2. Targeted projects

This Online Distribution call for proposals shall provide support to:

- Action 2: the preparation of digital packages facilitating the commercialisation of European audiovisual works on VOD platforms;
- Action 3: innovative strategies for distribution and promotion of European audiovisual works.

Applicants submitting projects for different actions should provide separate applications for each action.

3. TIMETABLE

	Stages	Date and time or indicative period
a)	Publication of the call	April 2016
b)	Deadline for submitting applications	21/06/2016 12:00 (noon, Brussels Time)
c)	Evaluation period	July-October 2016
d)	Information to applicants	November 2016
e)	Signature of grant agreement	November-December 2016
f)	Starting date of the action	Between the 01/11/2016 and the 01/01/2017
g)	Duration of the action / period of eligibility of costs	12 months

4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of projects is estimated at EUR 3.15 M.

The indicative split between the two actions will be the following:

- Action 2: an indicative amount of EUR 1.3 M.
- Action 3: an indicative amount of EUR 1.85 M.

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

5. ADMISSIBILITY REQUIREMENTS

Applications shall comply with the following requirements:

- they must be sent no later than the deadline for submitting applications referred to in section 3 of the present guidelines.
- they must be submitted in writing (see section 14 of the present guidelines), using the online application form and the official annexes provided.
- they must be drafted in one of the EU official languages, preferably in English or French.

The application form must be accompanied by a balanced budget and all the other documents referred to in the application form.

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

In order to submit an application, applicants and partners must provide their Participant Identification Code (PIC) in the application form. The PIC can be obtained by registering the organisation in the Unique Registration Facility (URF) hosted in the Education, Audiovisual, Culture, Citizenship and Volunteering Participant Portal. The Unique Registration Facility is a tool shared by other services of the European Commission. If an applicant or partner already has a PIC that has been used for other programmes (for example the Research programmes), the same PIC is valid for the present call for proposals.

The Participant Portal allows applicants and partners, to upload or update the information related to their legal status and attach the requested legal and financial documents (see section 14.2 for more information).

6. ELIGIBILITY CRITERIA

Applications which comply with the following criteria will be subject of an in-depth evaluation.

6.1. Eligible applicants

This scheme is open to entities (private companies, non-profit organisations, associations, charities, foundations, municipalities/Town Councils, etc.) established in one of the countries participating in the MEDIA Sub-programme (see below) and owned directly or by majority participation, by nationals from such countries.

Applications from legal entities established in one of the following countries are eligible as long as all conditions referred to in Article 8 of the Regulation establishing the Creative Europe Programme are met:

- EU Member States;
- Acceding countries, candidate countries and potential candidates benefiting from a pre- accession strategy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective Framework Agreements, Association Council Decisions or similar agreements;
- EFTA countries which are members of the EEA, in accordance with the provisions of the EEA Agreement;

- The Swiss Confederation, on the basis of a bilateral agreement to be concluded with that country;
- Countries covered by the European Neighbourhood Policy in accordance with the procedures established with those countries following the framework agreements providing for their participation in Union programmes.

The Programme shall also be open for bilateral or multilateral cooperation actions targeted at selected countries or regions on the basis of additional appropriations paid by, and specific arrangements to be agreed upon with, those countries or regions.

The Programme shall permit cooperation and joint actions with countries not participating in the Programme and with international organisations which are active in the cultural and creative sectors such as UNESCO, the Council of Europe, the Organisation for Economic Co-operation and Development or the World Intellectual Property Organisation on the basis of joint contributions for the realisation of the Programme's objectives.

Proposals from applicants in non EU countries may be selected, provided that, on the date of the award decision, agreements have been signed setting out the arrangements for the participation of those countries in the programme established by the Regulation referred to above.

(Updated list of countries that fulfil the conditions referred to in Article 8 of the Regulation and that the Commission has started negotiations with can be found on the following link:

http://eacea.ec.europa.eu/creative-europe/library/eligibility-organisations-non-eu-countries_en)

Natural persons may **not** apply for a grant.

In order to assess the applicants' eligibility, the following supporting documents have to be uploaded in the Participant Portal:

- **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 or decision establishing the public company, or other official document establishing the public-law entity,
- **entities without legal personality:** documents providing evidence that their representative(s) have the capacity to undertake legal obligations on their behalf.

6.2 Eligible activities

Only those applications corresponding to one of the two Actions described below will be considered as eligible:

Action 2. Support to the development of "On Line Ready" packages

Eligible activities are those consisting in assembling and delivering digital packages of European audiovisual works foreseen for online releases in countries where those works are not available on any distribution platform. It aims at improving their availability and visibility on VOD services provided in European and non-European countries.

Therefore these activities should facilitate the commercialisation of European audiovisual works on VOD

platforms available in the countries targeted by the project. The catalogue should focus on European audiovisual works having demonstrated commercial potential. The catalogue should follow a clear editorial line and be accompanied by a specific marketing strategy.

The preparation of these packages may cover: the encoding, the subtitling of the audiovisual works, the provision of metadata, the development of transversal/multi-territories marketing strategies and material.

Eligible catalogue:

- The project must cover a catalogue of a minimum of 20 European audiovisual works. In case of catalogues constituted only by television series (fiction or animation), the catalogue must include a total of at least 20 episodes of one or several series.
- The catalogue must include audiovisual works from at least five countries participating in the MEDIA Sub-programme representing at least five different official languages of the European Union. In case of catalogues constituted only by television series, this criterion shall not apply.
- Each title of the catalogue needs to have been sold previously for theatrical or TV distribution in at least five countries participating in the MEDIA Sub-programme.
- Each audiovisual work of the catalogue should be made available on VOD services in at least 5 other countries participating in the MEDIA Sub-Programme. The additional availability of the films for non-European countries is accepted.

The development or creation of new VOD platforms are not eligible under the Action 2.

Eligible content: European audiovisual works.

Fiction, animation and creative documentary, including feature films (i.e. feature length films), TV films or series.

European content should comply with the following conditions:

- majority produced by a producer or producers established in the countries participating in the MEDIA Sub-programme. To be considered as the actual producers the production companies must be credited as such. Other elements such as creative control, ownership of exploitation rights and share of profits may also be taken into account to determine who the actual producer is; and
- produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA Sub-programme. ‘Significant participation’ is defined as having more than 50% of the points on the basis of the table below, (e.g. having 10 or more points in the case of a work of fiction or the biggest share of points if the total is less than 19 as is normally the case for documentaries or animation films where all of the categories are not usually included in the credits):

Nationals/residents of countries participating in the MEDIA sub-programme	Points
Director	3
Scriptwriter	3
Composer	1
Actor 1	2
Actor 2	2
Actor 3	2

Artistic Director/Production Design	1
Director of Photography	1
Editor	1
Sound	1
Shooting location	1
Post-Production location	1
Total	19

The period of eligibility of costs will start between the 1/11/2016 and the 1/01/2017 and will last 12 months.

However, if after the signing of the agreement and the start of the project it becomes impossible for the beneficiary, for fully justified reasons beyond its control, to complete the project within the scheduled period, an extension to the eligibility period may be granted. A maximum extension of 6 additional months will be granted, if requested before the deadline specified in the grant agreement. The maximum duration will then be 18 months.

Only applications that fulfil the eligibility criteria will be considered for a grant. If an application is deemed ineligible, a letter indicating the reasons will be sent to the applicant.

Action 3. Support to innovative strategies for distribution and promotion of European audiovisual works

This action is aimed at encouraging innovative strategies for distributing and promoting European audiovisual works. It shall aim at developing new business models or tools in order to improve the potential audience of European audiovisual works.

Projects shall focus on the convergence and complementarity between off-line and online distribution platforms and/or the transnational availability of European audiovisual works within the digital environment.

Transparency will play a key role in the action. Therefore, applications must contain detailed plans for the full publication of the inputs and results of the action. Particular attention should be given to communicating this information to public authorities, Member States and the audiovisual industry.

Eligible content: European audiovisual works.

The action must focus on European audiovisual works. The audiovisual work must be a fiction, an animation or a creative documentary, including feature films (i.e. feature length films), TV films or series.

European content must comply with the following conditions:

- majority produced by a producer or producers established in the countries participating in the MEDIA Sub-programme. To be considered as the actual producers the production companies must be credited as such. Other elements such as creative control, ownership of exploitation rights and share of profits may also be taken into account to determine who the actual producer is; and
- produced with the significant participation of professionals who are nationals/residents of countries participating in the MEDIA Sub-programme. ‘Significant participation’ is defined as having more than 50% of the points on the basis of the table below, (e.g. having 10 or more points in the case of a work of fiction or the biggest share of points if the total is less than 19 as

is normally the case for documentaries or animation films where all of the categories are not usually included in the credits):

Nationals/residents of countries participating in the MEDIA sub-programme	Points
Director	3
Scriptwriter	3
Composer	1
Actor 1	2
Actor 2	2
Actor 3	2
Artistic Director/Production Design	1
Director of Photography	1
Editor	1
Sound	1
Shooting location	1
Post-Production location	1
Total	19

The period of eligibility of costs will start between the 01/11/2016 and the 01/01/2017 and will last 12 months.

However, if after the signing of the agreement and the start of the project it becomes impossible for the beneficiary, for fully justified reasons beyond its control, to complete the project within the scheduled period, an extension to the eligibility period may be granted. A maximum extension of 6 additional months will be granted, if requested before the deadline specified in the grant agreement. The maximum duration will then be 18 months.

Only applications that fulfil the eligibility criteria will be considered for a grant. If an application is deemed ineligible, a letter indicating the reasons will be sent to the applicant.

7. EXCLUSION CRITERIA

7.1. Exclusion from participation

An applicant will be excluded from participating in calls for proposals procedure, if it is in any of the following situations:

a) it 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 national legislation or regulations;

b) it has been established by a final judgement 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 law of the country in which it is established, with those of the country in which the authorising officer is located or those of the country of the implementation of the grant;

c) it has been established by a final judgement 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 conduct which has an impact on its professional credibility where such conduct denotes 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 selection criteria or in the performance of a contract, a grant agreement or a grant decision;
 - (ii) entering into agreement with other persons with the aim of distorting competition;
 - (iii) violating intellectual property rights;
 - (iv) attempting to influence the decision-making process of the Agency 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 judgement that the applicant is guilty of any of the following:
- (i) fraud, within the meaning of 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 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of EU Member States, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the legal provisions of the country where the authorising officer is located, the country in which the applicant is established or the country of the implementation of the grant;
 - (iii) participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA;
 - (iv) money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council;
 - (v) terrorist-related 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 forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;
- e) it has shown significant deficiencies in complying with the 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) in the absence of a final judgement or where applicable a final administrative decision, the applicant is in one of the cases provided in (c) to (f) above based on :

(i). facts established in the context of audits or investigations carried out by the Court of Auditors, OLAF or internal audit, 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 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). decisions of the ECB, the EIB, the European Investment Fund or international organisations;

(iv). decisions of the Commission relating to the infringement of the Union's competition rules or of a national competent authority relating to the infringement of Union or national competition law.

(v). decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

(h) where a person who is a member of the administrative, management or supervisory body of the applicant, or who has powers of representation, decision or control with regard to that applicant (this covers the company directors, members of the management or supervisory bodies, and cases where one person holds a majority of shares), is in one or more of the situations referred to in points (c) to (f) above.

(i) where a natural or legal person that assumes unlimited liability for the debts of that applicant is in one or more of the situations referred to in point (a) or (b) above.

If an applicant is in one of the situations of exclusion listed above, it should indicate the measures it has taken to remedy the exclusion situation, thus demonstrating its reliability. They may include e.g. technical, organisational and personnel measures to prevent further occurrence, compensation of damage or payment of fines. This does not apply for the situations referred in point (d) of this section.

In the cases provided in (c) to (f) above, in the absence of a final judgement or where applicable a final administrative decision, the Agency may exclude an applicant provisionally from participating in a call for proposals where their participation would constitute a serious and imminent threat to the Union's financial interests.

7.2. Rejection from the award procedure

An applicant will not be awarded a grant for this procedure if:

(a) it is in an exclusion situation established in accordance with the above section 7.1;

(b) it has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information;

(c) it was previously involved in the preparation of a call for proposals where this entails a distortion of competition that cannot be remedied otherwise.

Rejection from this procedure and administrative sanctions (exclusion or financial penalty) 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.

The applicants should be informed that the Agency may publish on its internet site the following information related to the exclusion and, where applicable, the financial penalty in the cases referred to in points (c), (d), (e) and (f) of the section 7.1²:

- (a) the name of the applicant concerned;
- (b) the exclusion situation;
- (c) the duration of the exclusion and/or the amount of the financial penalty.

In case of a preliminary classification in law (i.e. absence of a final judgement or a final administrative decision), the publication shall indicate that there is no final judgment or final administrative decision. In those cases, information about any appeals by the applicant, their status and their outcome, as well as any revised decision of the authorised officer, shall be published without delay. Where a financial penalty has been imposed, the publication shall also indicate whether that penalty has been paid.

The decision to publish the information is taken by the Agency either following the relevant final judgment, final administrative decision or preliminary classification in law, as the case may be. That decision shall take effect three months after its notification to the economic operator.

The information published shall be removed as soon as the exclusion has come to an end. In the case of a financial penalty, the publication shall be removed six months after payment of that penalty.

In accordance with Regulation (EC) No 45/2001, where personal data is concerned, the Agency shall inform the applicant of its rights under the applicable data protection rules and of the procedures available for exercising those rights.

7.3. Supporting documents

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to in the above sections 7.1. and 7.2, filling in the relevant form attached to the application form accompanying the call for proposals. If applicable, the relevant documentary evidence which appropriately illustrates any remedial measures taken should be provided in annex to this declaration.

The declaration is available (under the Heading "Annexes") at:

http://eacea.ec.europa.eu/creative-europe/funding/support-for-online-distribution-eacea-112016_en

² This information shall not be published in any of the following circumstances:

- (a) where it is necessary to preserve the confidentiality of an investigation or of national judicial proceedings;
- (b) where publication would cause disproportionate damage to the applicant concerned or would otherwise be disproportionate on the basis of the proportionality criteria and to the amount of the financial penalty;
- (c) where a natural person is concerned, unless the publication of personal data is exceptionally justified, inter alia, by the seriousness of the conduct or its impact on the Union's financial interests. In such cases, the decision to publish the information shall duly take into consideration the right to privacy and other rights provided for in Regulation (EC) No 45/2001.

8. SELECTION CRITERIA

Applicants must submit a declaration on their honour, completed and signed, attesting to their status as a legal person and to their financial and operational capacity to complete the proposed activities.

8.1. Financial capacity

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out or the year for which the grant is awarded 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 $>$ EUR 60 000:
 - a declaration on their honour
 - the financial statements (including the balance sheet, the profit and loss accounts and the annexes) of the last two financial years two financial years for which the accounts have been closed
 - financial capacity form 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 in addition to the above:
 - an audit report produced by an approved external auditor certifying the accounts for the last financial year available (for grants $>$ EUR 750 000).

In the event of an application grouping several applicants (consortium), the thresholds mentioned in points a) and b) shall apply to the coordinator while the threshold in point c) shall apply to each applicant.

On the basis of the documents submitted, if the Agency considers that financial capacity is not satisfactory, he may:

- request further information;
- propose a grant agreement without pre-financing;
- propose a grant agreement with a pre-financing covered by a bank guarantee (see section 11.4 below);
- propose a grant agreement without pre-financing but an interim payment based on expenses already occurred.
- 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, for those applying for a grant above EUR 60.000 the following supporting documents:

- a summary of the activities of the applicant over the last two years (if not fully available, an organisation chart of the applicant showing the structure of the organisation and the functions of the main staff).
- curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the operation within each partner institution;

9. AWARD CRITERIA

Eligible applications will be assessed on the basis of the following criteria

9.1. Action 2: Support to the development of "On Line Ready" packages

	Criteria	Definitions	Max. points
1	Relevance and European added value	This criterion evaluates the relevance of the content of the action including European dimension vis-à-vis the objectives of the call for proposals.	30
2	Quality of the activities	This criterion evaluates the adequacy of the methodology to the objectives and the marketing strategy together with the feasibility and cost-efficiency.	40
3	Dissemination of project results, impact and sustainability	This criterion assesses the impact of the action on the availability, the visibility and the potential audience of European audiovisual works and the strategies for developing the sustainability of the action.	20
4	Quality of the project team and the grouping	This criterion will take into account the extent of the partnership and the exchange of knowledge within the partnership vis a vis the objectives of the action.	10

Detailed description of the award criteria and breakdown of points:

Relevance and European added value (30 points)

This criterion will take into account:

- The relevance of the project vis-à-vis the objectives of the call for proposals, in particular to improve the availability and visibility of European audiovisual works on VOD services provided in countries where those works are not available (10 points),
- The extent, European dimension and scope of the programmes in the catalogue (10 points),
- The distribution of content from countries with a low production capacity (10 points).

Quality of the activities (40 points)

This criterion will take into account:

- The adequacy of the methodology to the objectives pursued by the project (15 points),
- The quality of the promotion and marketing strategies in order to reach the audience on the targeted VOD services in the territories covered by the project, as well as the techniques and tools deployed (15 points),
- The feasibility and cost-effectiveness of the project (10 points).

Dissemination of project results, impact and sustainability (20 points)

This criterion will take into account:

- The impact of the project on the availability, visibility and the potential audience of the European audiovisual works on Online services (10 points),
- The methodology proposed for assessing the results and defining appropriate mid-term strategies in order to ensure the sustainability of the project and for sharing of best practices (10 points).

Quality of the project team and the grouping (10 points)

This criterion will take into account:

- the coherence and complementarity of the team/consortium including tasks division, decision making process and the exchange of knowledge (10 points).

9.2. Action 3: Support to innovative multiplatform releases

	Criteria	Definitions	Max. points
1	Relevance and European added value	This criterion evaluates the relevance of the content of the action including European dimension vis-à-vis the objectives of the call for proposals.	30
2	Quality of the activities	This criterion evaluates the adequacy of the methodology to the objectives and the business model, innovative aspects, the marketing strategy, the feasibility and cost- efficiency.	40
3	Dissemination of project results, impact and sustainability	This criterion assesses the dissemination of the project's results in view of ensuring the share of information / transparency and the impact of the support on the potential audience of European audiovisual works.	20
4	Quality of the project team and the grouping	This criterion will take into account the extent of the partnership and the exchange of knowledge within the partnership vis a vis the objectives of the action.	10

Detailed description of the award criteria and breakdown of points:

Relevance and European added value (30 points)

This criterion will take into account:

- The added-value of the project compared to the current situation of the audiovisual markets (15 points),
- European dimension of the audiovisual works, the cross-border and cross-language distribution (15 points).

Quality of the activities (40 points)

This criterion will take into account:

- The adequacy of the methodology to the objectives pursued by the project (15 points),
- The quality and complementarities of the promotion and marketing strategies in order to reach the target audience on the different distribution platforms and/or territories covered, as well as the techniques and tools deployed (15 points),
- The quality and the innovativeness of the Business model, feasibility and cost-effectiveness of the project (10 points).

Dissemination of project results, impact and sustainability (20 points)

- The impact of the project on the potential audience of European audiovisual works (5 points),
- The capacity to improve the efficiency of relationships between the various sectors of the European audiovisual industry (producers, distributors, sales agents, festivals, cinemas, VOD services...) (5 points),
- The methodology proposed for collecting, analysing and disseminating data in order to share the results and guarantee the transparency of the project (10 points).

Quality of the project team and the grouping (10 points)

This criterion will take into account:

- the coherence and complementarity's of the team/consortium including tasks division, decision making process and the exchange of knowledge (10 points).

10. LEGAL COMMITMENTS

In the event of a grant awarded by the Agency, 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. This agreement may be a mono-beneficiary (for single applicants) or a multi-beneficiary agreement (in the event of a partnership) to be concluded with the project coordinator.

The 2 copies of the original agreement must be signed first by the beneficiary, or the coordinator, on behalf of the consortium and returned to the Agency immediately. The Agency will sign them last.

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

11. FINANCIAL PROVISIONS

11.1. General Principles

a) Non-cumulative award

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

In no circumstances shall the same costs be financed twice by the Union budget. To ensure this, applicants shall indicate in the application form the sources and amounts of Union funding received or applied for the same action or part of the action or for its 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 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) Co-financing

Co-financing means that the resources which are necessary to carry out the action may not be 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.

d) Balanced budget

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

The budget must be drawn up in euros.

Applicants which foresee that costs will not be incurred in euros shall 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 on the date of the publication of this call for proposals.

e) Implementation contracts/subcontracting

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary must award the contract to the bid offering best

value for money or the lowest price (as appropriate), avoiding conflicts of interests and retain the documentation for the event of an audit.

Entities acting in their capacity of contracting authorities in the meaning of Directive 2004/18/EC³ or contracting entities in the meaning of Directive 2004/17/EC⁴ shall abide by the applicable national public procurement rules.

Sub-contracting, i.e. the externalisation of specific tasks or activities which form part of the action as described in the proposal and which cannot be performed by the beneficiary itself must satisfy the conditions applicable to any implementation contract (as specified above) and in addition to them the following conditions:

- it may only cover the implementation of a limited part of the action; Subcontracting costs may not cover more than 60% of the total costs of the action.
- it must be justified having regard to the nature of the action and what is necessary for its implementation;
- it must be clearly stated in the proposal or prior written authorisation from the Agency must be obtained.

f) Financial support to third parties

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

11.2 Funding forms

The grants financed through reimbursement of eligible costs in combination with flat rate covering overheads are calculated on the basis of a detailed estimated budget, indicating clearly the costs that are eligible for EU funding.

➤ Maximum amount requested

The EU grant is limited to a maximum co-financing rate of:

- Action 2: 60% of eligible costs;
- Action 3: 60% of eligible costs.

Consequently, part of the total eligible expenses entered in the estimated budget must be financed from sources other than the Union grant.

The amount of the own resources indicated in the revenue part of the estimated budget is regarded as secured, and the amount, as a minimum, must be entered in the revenue section of the final account.

The grant amount may neither exceed the eligible costs nor the amount requested. Amounts are indicated in euros.

Acceptance of an application by the Executive Agency does not constitute an undertaking to award a grant equal to the amount requested by the beneficiary.

³ Directive 2004/18/EC on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts.

⁴ Directive 2004/17/EC coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors.

➤ Eligible costs

Eligible costs are costs actually incurred by the beneficiary of a grant which meet the following criteria:

- they are incurred during the duration of the action as specified in the grant agreement, with the exception of costs relating to final reports and certificates.

The period of eligibility of costs will start as specified in the grant agreement between the 1/11/2016 and the 1/01/2017 and will last 12 months. Costs incurred outside the period of eligibility of costs will not be considered.

- they are indicated in the estimated overall budget of the action;

- they are incurred in connexion with the action which is the subject of the grant and are necessary for the implementation of the action;

- 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 requirements 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 revenues declared in respect of the action with the corresponding accounting statements and supporting documents.

Eligible direct costs:

The eligible direct costs for the action are those costs which, **with due regard for 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:

- the cost of personnel working under an employment contract with the applicant or equivalent appointing act and assigned to the action, comprising actual salaries plus social security contributions and other statutory costs included in their remuneration, provided that these costs are in line with the applicant's usual policy on remuneration policy of the beneficiary **or, where applicable, its partners.**

NB: this cost must be actual cost incurred by the beneficiary, the co-beneficiary, and staff cost of other organisations is eligible only if it is paid directly or reimbursed by the beneficiary. These costs may include additional remuneration, including payments on the basis of supplementary contracts regardless of their nature, provided that it is paid in a consistent manner whenever the same kind of work or expertise is required and independently from the source of funding used. Personnel costs cannot exceed 30% of total eligible costs;

- subsistence allowances (for meetings, including kick-off meetings where applicable, European conferences, etc.) provided that these costs are in line with the beneficiary's usual practices and that they do not exceed the scales approved annually by the Commission;

- costs of travel (for meetings, including kick-off meetings where applicable, European conferences, etc.), provided that they are in line with the beneficiary's usual practices on travel, and that they do not exceed the scales approved annually by the Commission;

- depreciation cost of equipment (new or second-hand), only the portion of the equipment's depreciation corresponding to the duration of the action and the rate of actual use for the purposes of

the action may be taken into account by the Agency, **except where the nature and/or the context of its use justifies different treatment by the Agency;**

- costs of consumables and supplies, provided that they are identifiable and assigned to the action;
- costs entailed by other contracts awarded by the beneficiary or its partners for the purposes of carrying out the action, provided that the conditions laid down in grant agreement are met;
- costs arising directly from requirements linked to the performance of the action (dissemination of information, specific evaluation of the action, translations, reproduction, etc.),
- costs relating to a pre-financing guarantee lodged by the beneficiary of the grant, where required;
- costs relating to external audits where required in support of the requests for payments;
- non deductible value added tax ("VAT") for all activities which are not activities of the public authorities in the Member States.

Eligible indirect costs (overheads)

A flat-rate amount, equal to 7% of the eligible direct costs of the action, is eligible under indirect costs, representing the beneficiary's general administrative costs which can be regarded as chargeable to the action.

Indirect costs may not include costs entered under another budget heading.

Applicants's attention is drawn to the fact that in the case of organisations receiving an operating grant, indirect costs are no longer eligible under specific actions.

➤ **Ineligible costs**

The following costs shall not be considered eligible:

- return on capital;
- debt and debt service charges;
- provisions for losses or debts;
- interest owed;
- doubtful debts;
- exchange losses;
- costs of transfer from the Agency charged by the bank of the beneficiary;
- costs declared by the beneficiary and covered by another action receiving a European Union grant. In particular, indirect costs shall not be eligible under a grant for an action awarded to the beneficiary who already receives an operating grant financed from the Union budget during the period in question;
- contributions in kind;
- excessive or reckless expenditure;
- any costs incurred by the beneficiary but re-invoiced to third parties;
- Acquisition of film rights.

➤ **Calculation of the final grant amount – Supporting documents**

The final amount of the grant to be awarded to the beneficiary is established after completion of the action, upon approval of the request for payment containing the following documents:

- a final report providing details of the implementation and results of the action;
- the final financial statement of costs actually incurred,

And:

- a)** In case of Grants for an action of less than EUR 750.000, the beneficiary is required to submit, in support of the final payment, a “Report of Factual Findings on the Final Financial Report - Type I” produced by an approved auditor or in case of public bodies, by a competent and independent public officer.

The procedure and the format to be followed by an approved auditor or in case of public bodies, by a competent and independent public officer, are detailed in the following “Guidance Notes”:

http://eacea.ec.europa.eu/about-eacea/document-register_en#audit

The use of the report format set by the “Guidance Notes” is compulsory.

- b)** In case of Grants for an action of EUR 750.000 or more, when the cumulative amounts of request for payment is at least EUR 325.000, the beneficiary is required to submit, in support of the final payment, a “Report of Factual Findings on the Final Financial Report - Type II” produced by an approved auditor or in case of public bodies, by a competent and independent public officer. The certificate shall certify, in accordance with a methodology approved by the Agency, that the costs declared by the beneficiary in the financial statements on which the request for payment is based are real, accurately recorded and eligible in accordance with the grant agreement.

The procedure and the format to be followed by an approved auditor or in case of public bodies, by a competent and independent public officer, are detailed in the following “Guidance Notes”:

http://eacea.ec.europa.eu/about-eacea/document-register_en#audit

The use of the report format set by the “Guidance Notes” is compulsory.

If the eligible costs actually incurred by the beneficiary are lower than anticipated, the Agency will apply the rate of co-financing stated in the grant agreement to the expenditure actually incurred.

In the event of non-execution or clearly inadequate execution of an activity planned in the application attached to the funding agreement, the final grant will be reduced accordingly.

Non-profit rule

EU grants may not have the purpose or effect of producing a profit within the framework of the action of the beneficiary. **Profit shall be defined as a surplus of receipts over the eligible costs incurred by the beneficiary, when the request is made for payment of the balance.** In this respect, where a profit is made, the Agency shall be entitled to recover a percentage of the profit corresponding to the Union contribution to the eligible costs actually incurred by the beneficiary to carry out the action. The verification of non-profit does not apply to low value grants, i.e. ≤ EUR 60 000.

11.3. Payment arrangements

Depending on the financial capacity of the applicants, a pre-financing or an interim payment will be paid according to the modalities described here below:

A pre-financing payment corresponding to 50% of the grant amount will be transferred to the beneficiary within 30 days of the date when the last of the two parties signs the agreement, provided all requested guarantees have been received.

If specified in the grant agreement an Interim payment shall be paid to the beneficiary. Interim payment is intended to cover the beneficiary's expenditure on the basis of a request for payment when the action has been partly carried out. The interim payment shall not exceed 50% of the maximum grant amount.

The Agency will establish the amount of the final payment to be made to the beneficiary on the basis of the calculation of the final grant amount (see section 11.2 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 Agency through a recovery order.

11.4. Pre-financing guarantee

In the event that the applicant's financial capacity is not satisfactory, 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 Member State of the European Union. When the beneficiary is established in a third country, the authorising officer responsible may agree that a bank or financial institution established in that third country may provide the guarantee if he 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 by 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 payments of balances to the beneficiary, in accordance with the conditions laid down in the grant agreement.

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 logo of the programme on all their publications, posters, programmes and other products realised under the co-financed project.

To do this they must use the text, the logo and the disclaimer available at https://eacea.ec.europa.eu/about-eacea/visual-identity_en, which will be provided by the Agency.

If this requirement is not fully complied with, the beneficiary's grant may be reduced in accordance with the provisions of the grant agreement.

12.2. By the Agency and/or 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 the 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 Agency and/or the Commission will publish the following information:

- name of the beneficiary,
- locality of the beneficiary,
- the amount awarded,
- nature and purpose of the grant.

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.

12.3 Communication and dissemination

To maximise impact, projects should have a clear and strong strategy for communication and dissemination of their activities and results, and applicants must provide enough time and resources to communicate and interact appropriately with peers, audiences and local communities as appropriate.

Beneficiaries will be required as stipulated in the grant agreement to produce a public summary/report in English providing information about their work and the results of their project. The public summary/report must be included in the final report submitted to the Agency. The report may be used by the Commission to provide information on the results of projects.

The Commission together with the Agency may identify good practices and prepare relevant dissemination materials to be shared within and across all participating countries and beyond.

Data and results from projects will be made freely available to be used by stakeholders, policy makers and others in a wide range of ways.

Beneficiaries may be required to attend and to participate in events organised by the European Commission or the Agency to share their experience with other participants and/or policy makers.

13. DATA PROTECTION

All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the European Community institutions and bodies and on the free movement of such data.⁵

Unless marked as optional, the applicant's replies to the questions in the application form are necessary to evaluate and further process the grant application in accordance with the specifications of the call for proposals. Personal data will be processed solely for that purpose by the department or Unit responsible for the Union grant programme concerned (entity acting as data controller). Personal data may be transferred on a need to know basis to third parties involved in the evaluation of applications or in the grant management procedure, without prejudice of transfer to the bodies in charge of monitoring and inspection tasks in accordance with European Union law. In particular, for the purposes of safeguarding the financial interests of the Union, personal data may be transferred to internal audit services, to the European Court of Auditors, to the Financial Irregularities Panel or to the

⁵ Official Journal L 8, 12.1.2001.

European Anti-Fraud Office and between authorising officers of the Commission and the executive agencies. The applicant has the right of access to, and to rectify, the data concerning him or her. For any question relating to these data, please contact the Controller.

Applicants have the right of recourse to the European Data Protection Supervisor at any time. A detailed Privacy statement, including contact information, is available on EACEA's website:

http://eacea.ec.europa.eu/about/documents/calls_gen_conditions/eacea_grants_privacy_statement.pdf

Applicants and, if they are legal entities, persons who are members of the administrative, management or supervisory body of that applicant or who have powers of representation, decision or control with regard to that applicant, or natural or legal persons that assume unlimited liability for the debts of that applicant, are informed that, their personal data (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the Early Detection and Exclusion System (EDES) by the Authorising Officer of the Agency, should they be in one of the situations mentioned in the Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298 of 26.10.2012, p. 1) as amended by the Regulation (EU, Euratom) No 2015/1929 of the European Parliament and of the Council of 28 October 2015 (OJ L 286, 30.10.2015, p. 1).

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

14.1 Publication

The call for proposals is being published on the Internet site of the EACEA at the following address:

http://eacea.ec.europa.eu/creative-europe/funding/support-for-online-distribution-eacea-112016_en

14.2 Registration in the Participant Portal

Before submitting an electronic application, applicants and partners will have to register their organisation in the Education, Audiovisual, Culture, Citizenship and Volunteering Participant Portal and receive a Participant Identification Code (PIC). The PIC will be requested in the application form.

The Participant Portal is the tool through which all legal and financial information related to organisations will be managed. Information on how to register can be found in the portal under the following address:

<http://ec.europa.eu/education/participants/portal>

The tool also allows applicants to upload different documents related to their organisation. These documents have to be uploaded once and will not be requested again for subsequent applications by the same organisation.

Details on the supporting document that need to be uploaded in the portal can be found on the following link (under the Heading "How to apply"):

http://eacea.ec.europa.eu/creative-europe/funding/support-for-online-distribution-eacea-112016_en

14.3 Submission of the grant application

Proposals must be submitted in accordance with the admissibility requirements set out under section 5.

No modifications to the application are allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or for the correction of clerical mistakes, the Agency may contact the applicant for this purpose during the evaluation process.

Applicants submitting projects for different actions should provide separate applications for each action.

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

An online application system has been set up. Grant applications must be drawn up in one of the official EU languages, using the online form (eForm) specifically designed for this purpose. To facilitate the assessment of the application, additional documents relevant to the assessment of the project should be submitted preferably in English or French.

The eForm can be obtained on the Internet at the following address: <https://eacea.ec.europa.eu/PPMT/>

Proposals must be submitted by the deadline mentioned in the call for proposals and in Section "3. Timetable" of the present Guidelines **before 12:00 CET/CEST (Midday, Brussels time)**, using the online application form.

Applicants should note that no applications submitted after 12.00CET/CEST on the deadline will be accepted. They are very strongly encouraged not to wait until the final day to submit their application.

Please note that no other method of submission of an application will be accepted. Applications submitted in any other way will be automatically rejected. No exceptions will be made.

Make sure that you have officially submitted your electronic application form and that you have received an e-mail acknowledging receipt of your submission with a project reference number.

Applicants shall ensure that all the documents requested and mentioned in the eForm are provided electronically.

Only applications that fulfil the eligibility criteria will be considered for a grant. If an application is deemed ineligible, a letter indicating the reasons will be sent to the applicant.

14.4 Evaluation procedure

The eligible proposals will be ranked in Action 2 and Action 3 according to the award criteria defined and weighted in section 9 of the present Guidelines. Within the limit of the available budget, applications obtaining the highest scores in each action will be selected.

The assessment is made solely on the basis of the documents sent by the relevant deadline.

14.5 Award decision

Only after completion of the procedure mentioned above, is the selection process finalised and the award decision adopted by the Agency.

Applicants will be informed of the results of the selection within two weeks of the date of adoption of the award decision.

Unsuccessful applicants will receive a letter stating the reasons why their application was not selected.

Once applicants informed the list of selected proposals will be published on the websites of the Commission/Agency: http://eacea.ec.europa.eu/creative-europe/selection-results_en

14.6 Rules applicable

Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union (OJ L 298, 26.10.2012, p.1) as amended by the Regulation (EU, Euratom) No 2015/1929 of the European Parliament and of the Council of 28 October 2015 (OJ L 286, 30.10.2015, p. 1).

Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p.1).

Regulation (EU) No 1295/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Creative Europe Programme (2014 to 2020) concerning the implementation of a support Programme for the European creative sector (Creative Europe) (OJ L 347/221, 20 December 2013) and the corrigendum of the 27/06/2014 (OJ L189/260).

14.7 Contacts

For any further information please contact your Creative Europe desk:
http://ec.europa.eu/culture/creative-europe/creative-europe-desks_en.htm

Contact within the Agency:
EACEA-MEDIA-ONLINE@ec.europa.eu

If you encounter a technical problem in relation to the e-Form, please ensure that you contact the HelpDesk well in advance of the deadline for submission:
eacea-helpdesk@ec.europa.eu

Annexes:

- Annex 1: Application Form / Detailed description of the action
(The Application form on the standard template must be attached to the E-Form)
- Annex 2 – Detailed budget and sources of financing
(The Budget Form on the standard template must be attached to the E-Form)
- Annex 3 – Declaration on applicant's honour
(The declaration on the applicant's honour must be attached to the E-Form)
- Financial Capacity Form

- Expert Guide
- Samples of grant agreement