



EUROPEAN COMMISSION
Directorate-General for Communications Networks, Content and Technology
CNECT.H – Digital Society, Trust and Cybersecurity
H.1 – Cybersecurity Technology and Capacity Building

GRANT AGREEMENT

Project 101127940 — TEST-CERT-CZ

PREAMBLE

This **Agreement** ('the Agreement') is **between** the following parties:

on the one part,

the **European Union** ('EU'), represented by the European Commission ('European Commission' or 'granting authority'),

and

on the other part,

1. 'the coordinator':

NARODNI URAD PRO KYBERNETICKOU A INFORMACNI BEZPECNOST - NUKIB (NCISA), PIC 907198418, established in MUCEDNICKA 1125/31, BRNO-ZABOVRESKY 616 00, Czechia,

Unless otherwise specified, references to 'beneficiary' or 'beneficiaries' include the coordinator and affiliated entities (if any).

If only one beneficiary signs the grant agreement ('mono-beneficiary grant'), all provisions referring to the 'coordinator' or the 'beneficiaries' will be considered — mutatis mutandis — as referring to the beneficiary.

The parties referred to above have agreed to enter into the Agreement.

By signing the Agreement and the accession forms, the beneficiaries accept the grant and agree to implement the action under their own responsibility and in accordance with the Agreement, with all the obligations and terms and conditions it sets out.

The Agreement is composed of:

Preamble

Terms and Conditions (including Data Sheet)

- Annex 1 Description of the action¹
- Annex 2 Estimated budget for the action
- Annex 2a Additional information on unit costs and contributions (if applicable)
- Annex 3 Accession forms (if applicable)²
- Annex 3a Declaration on joint and several liability of affiliated entities (if applicable)³
- Annex 4 Model for the financial statements
- Annex 5 Specific rules (if applicable)

¹ Template published on [Portal Reference Documents](#).

² Template published on [Portal Reference Documents](#).

³ Template published on [Portal Reference Documents](#).

TERMS AND CONDITIONS

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DATA SHEET

1. General data

Project summary:

Project summary
The objective of this project is to increase and facilitate security and interoperability of testing capabilities and certification of connected ICT systems by cascade funding provided by the NCC-CZ. This aims to improve the capabilities and cooperation of cybersecurity certification stakeholders in line with the objectives of Regulation (EU) 2019/881 (“CSA”).

Keywords:

- Cybersecurity
- NCC, FSTP, Cascade Funding, Cybersecurity Certification

Project number: 101127940

Project name: Building Testing and Certification Capabilities in the Czech Republic

Project acronym: TEST-CERT-CZ

Call: DIGITAL-ECCC-2022-CYBER-03

Topic: DIGITAL-ECCC-2022-CYBER-03-TEST-CERT-CAPABILITIES

Type of action: DIGITAL JU Grants for Financial Support

Granting authority: European Commission-EU

Grant managed through EU Funding & Tenders Portal: Yes (eGrants)

Project starting date: fixed date: 1 December 2023

Project end date: 30 November 2026

Project duration: 36 months

Consortium agreement: Yes

2. Participants

List of participants:

N°	Role	Short name	Legal name	Ctry	PIC	Total eligible costs (BEN and AE)	Max grant amount
1	COO	NCISA	NARODNI URAD PRO KYBERNETICKOU A INFORMACNI BEZPECNOST - NUKIB	CZ	907198418	736 481.00	721 921.00
1.1	AE	CSH	CYBERSECURITY HUB, ZU	CZ	889292509	119 840.00	119 840.00
Total						856 321.00	841 761.00

Coordinator:

- NARODNI URAD PRO KYBERNETICKOU A INFORMACNI BEZPECNOST - NUKIB (NCISA)

3. Grant

Maximum grant amount, total estimated eligible costs and contributions and funding rate:

Total eligible costs (BEN and AE)	Funding rate (%)	Maximum grant amount (Annex 2)	Maximum grant amount (award decision)
856 321.00	100	841 761.00	841 761.00

Grant form: Budget-based**Grant mode:** Action grant**Budget categories/activity types:**

- A. Personnel costs
 - A.1 Employees, A.2 Natural persons under direct contract, A.3 Seconded persons
 - A.4 SME owners and natural person beneficiaries
- B. Subcontracting costs
- C. Purchase costs
 - C.1 Travel and subsistence
 - C.2 Equipment
 - C.3 Other goods, works and services
- D. Other cost categories
 - D.1 Financial support to third parties
 - D.2 Internally invoiced goods and services
- E. Indirect costs

Cost eligibility options:

- Standard supplementary payments
- Average personnel costs (unit cost according to usual cost accounting practices)
- Country restrictions for subcontracting costs
- Limitation for subcontracting
- Travel and subsistence:
 - Travel: Actual costs
 - Accommodation: Actual costs
 - Subsistence: Actual costs
- Equipment: depreciation and full costs for listed equipment
- Costs for providing financial support to third parties (actual cost; max amount for each recipient: EUR 100 000.00)
- Indirect cost flat-rate: 7% of the eligible direct costs (categories A-D, except volunteers costs and exempted specific cost categories, if any)
- VAT: Yes
- Country restrictions for eligible costs
- Other ineligible costs

Budget flexibility: Yes (no flexibility cap)**4. Reporting, payments and recoveries**

4.1 Continuous reporting (art 21)**Deliverables:** see Funding & Tenders Portal Continuous Reporting tool**4.2 Periodic reporting and payments****Reporting and payment schedule** (art 21, 22):

Reporting					Payments	
Reporting periods			Type	Deadline	Type	Deadline (time to pay)
RP No	Month from	Month to				
					Initial prefinancing	30 days from entry into force/10 days before starting date/ financial guarantee (if required) – whichever is the latest
1	1	18	Additional prefinancing report	60 days after end of reporting period	Additional prefinancing	60 days from receiving additional prefinancing report/ financial guarantee (if required) – whichever is the latest
2	19	36	Periodic report	60 days after end of reporting period	Final payment	90 days from receiving periodic report

Prefinancing payments and guarantees:

Prefinancing payment		Prefinancing guarantee		
Type	Amount	Guarantee amount	Division per participant	
Prefinancing 1 (initial)	589 232.70	n/a	1 - NCISA	n/a
			1.1 - CSH	n/a
Prefinancing 2 (additional)	168 352.20	n/a	1 - NCISA	n/a
			1.1 - CSH	n/a

Reporting and payment modalities (art 21, 22):

Mutual Insurance Mechanism (MIM): No

Restrictions on distribution of initial prefinancing: The prefinancing may be distributed only if the minimum number of beneficiaries set out in the call conditions (if any) have acceded to the Agreement and only to beneficiaries that have acceded.

Interim payment ceiling (if any): 90% of the maximum grant amount

No-profit rule: Yes

Late payment interest: ECB + 3.5%

Bank account for payments:

CZ0407100000190003031881

Conversion into euros: Double conversion

Reporting language: Language of the Agreement

4.3 Certificates (art 24):

Certificates on the financial statements (CFS):

Conditions:

Schedule: only at final payment, if threshold is reached

Standard threshold (beneficiary-level):

- financial statement: requested EU contribution to costs \geq EUR 325 000.00

4.4 Recoveries (art 22)

First-line liability for recoveries:

Beneficiary termination: Beneficiary concerned

Final payment: Coordinator

After final payment: Beneficiary concerned

Joint and several liability for enforced recoveries (in case of non-payment):

Limited joint and several liability of other beneficiaries — up to the maximum grant amount of the beneficiary

Joint and several liability of affiliated entities — n/a

5. Consequences of non-compliance, applicable law & dispute settlement forum

Applicable law (art 43):

Standard applicable law regime: EU law + law of Belgium

Dispute settlement forum (art 43):

Standard dispute settlement forum:

EU beneficiaries: EU General Court + EU Court of Justice (on appeal)

Non-EU beneficiaries: Courts of Brussels, Belgium (unless an international agreement provides for the enforceability of EU court judgements)

6. Other

Specific rules (Annex 5): Yes

Standard time-limits after project end:

Confidentiality (for X years after final payment): 5

Record-keeping (for X years after final payment): 5 (or 3 for grants of not more than EUR 60 000)

Reviews (up to X years after final payment): 5 (or 3 for grants of not more than EUR 60 000)

Audits (up to X years after final payment): 5 (or 3 for grants of not more than EUR 60 000)

Extension of findings from other grants to this grant (no later than X years after final payment): 5 (or 3 for grants of not more than EUR 60 000)

Impact evaluation (up to X years after final payment): 5 (or 3 for grants of not more than EUR 60 000)

CHAPTER 1 GENERAL

ARTICLE 1 — SUBJECT OF THE AGREEMENT

This Agreement sets out the rights and obligations and terms and conditions applicable to the grant awarded for the implementation of the action set out in Chapter 2.

ARTICLE 2 — DEFINITIONS

For the purpose of this Agreement, the following definitions apply:

Actions — The project which is being funded in the context of this Agreement.

Grant — The grant awarded in the context of this Agreement.

EU grants — Grants awarded by EU institutions, bodies, offices or agencies (including EU executive agencies, EU regulatory agencies, EDA, joint undertakings, etc.).

Participants — Entities participating in the action as beneficiaries, affiliated entities, associated partners, third parties giving in-kind contributions, subcontractors or recipients of financial support to third parties.

Beneficiaries (BEN) — The signatories of this Agreement (either directly or through an accession form).

Affiliated entities (AE) — Entities affiliated to a beneficiary within the meaning of Article 187 of EU Financial Regulation 2018/1046⁴ which participate in the action with similar rights and obligations as the beneficiaries (obligation to implement action tasks and right to charge costs and claim contributions).

Associated partners (AP) — Entities which participate in the action, but without the right to charge costs or claim contributions.

Purchases — Contracts for goods, works or services needed to carry out the action (e.g. equipment, consumables and supplies) but which are not part of the action tasks (see Annex 1).

Subcontracting — Contracts for goods, works or services that are part of the action tasks (see Annex 1).

In-kind contributions — In-kind contributions within the meaning of Article 2(36) of EU Financial

⁴ For the definition, see Article 187 Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 ('EU Financial Regulation') (OJ L 193, 30.7.2018, p. 1): "**affiliated entities** [are]:

- (a) entities that form a sole beneficiary [(i.e. where an entity is formed of several entities that satisfy the criteria for being awarded a grant, including where the entity is specifically established for the purpose of implementing an action to be financed by a grant)];
- (b) entities that satisfy the eligibility criteria and that do not fall within one of the situations referred to in Article 136(1) and 141(1) and that have a link with the beneficiary, in particular a legal or capital link, which is neither limited to the action nor established for the sole purpose of its implementation".

Regulation 2018/1046, i.e. non-financial resources made available free of charge by third parties.

Fraud — Fraud within the meaning of Article 3 of EU Directive 2017/1371⁵ and Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995⁶, as well as any other wrongful or criminal deception intended to result in financial or personal gain.

Irregularities — Any type of breach (regulatory or contractual) which could impact the EU financial interests, including irregularities within the meaning of Article 1(2) of EU Regulation 2988/95⁷.

Grave professional misconduct — Any type of unacceptable or improper behaviour in exercising one's profession, especially by employees, including grave professional misconduct within the meaning of Article 136(1)(c) of EU Financial Regulation 2018/1046.

Applicable EU, international and national law — Any legal acts or other (binding or non-binding) rules and guidance in the area concerned.

Portal — EU Funding & Tenders Portal; electronic portal and exchange system managed by the European Commission and used by itself and other EU institutions, bodies, offices or agencies for the management of their funding programmes (grants, procurements, prizes, etc.).

CHAPTER 2 ACTION

ARTICLE 3 — ACTION

The grant is awarded for the action **101127940 — TEST-CERT-CZ** ('action'), as described in Annex 1.

ARTICLE 4 — DURATION AND STARTING DATE

The duration and the starting date of the action are set out in the Data Sheet (see Point 1).

CHAPTER 3 GRANT

ARTICLE 5 — GRANT

5.1 Form of grant

⁵ Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law (OJ L 198, 28.7.2017, p. 29).

⁶ OJ C 316, 27.11.1995, p. 48.

⁷ Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ L 312, 23.12.1995, p. 1).

The grant is an action grant⁸ which takes the form of a budget-based mixed actual cost grant (i.e. a grant based on actual costs incurred, but which may also include other forms of funding, such as unit costs or contributions, flat-rate costs or contributions, lump sum costs or contributions or financing not linked to costs).

5.2 Maximum grant amount

The maximum grant amount is set out in the Data Sheet (see Point 3) and in the estimated budget (Annex 2).

5.3 Funding rate

The funding rate for costs is 100% of the action's eligible costs.

Contributions are not subject to any funding rate.

5.4 Estimated budget, budget categories and forms of funding

The estimated budget for the action is set out in Annex 2.

It contains the estimated eligible costs and contributions for the action, broken down by participant and budget category.

Annex 2 also shows the types of costs and contributions (forms of funding)⁹ to be used for each budget category.

If unit costs or contributions are used, the details on the calculation will be explained in Annex 2a.

5.5 Budget flexibility

The budget breakdown may be adjusted — without an amendment (see Article 39) — by transfers (between participants and budget categories), as long as this does not imply any substantive or important change to the description of the action in Annex 1.

However:

- changes to the budget category for volunteers (if used) always require an amendment
- changes to budget categories with lump sums costs or contributions (if used; including financing not linked to costs) always require an amendment
- changes to budget categories with higher funding rates or budget ceilings (if used) always require an amendment
- addition of amounts for subcontracts not provided for in Annex 1 either require an amendment or simplified approval in accordance with Article 6.2

⁸ For the definition, see Article 180(2)(a) EU Financial Regulation 2018/1046: ‘**action grant**’ means an EU grant to finance “an action intended to help achieve a Union policy objective”.

⁹ See Article 125 EU Financial Regulation 2018/1046.

- other changes require an amendment or simplified approval, if specifically provided for in Article 6.2
- flexibility caps: not applicable.

ARTICLE 6 — ELIGIBLE AND INELIGIBLE COSTS AND CONTRIBUTIONS

In order to be eligible, costs and contributions must meet the **eligibility** conditions set out in this Article.

6.1 General eligibility conditions

The **general eligibility conditions** are the following:

- (a) for actual costs:
 - (i) they must be actually incurred by the beneficiary
 - (ii) they must be incurred in the period set out in Article 4 (with the exception of costs relating to the submission of the final periodic report, which may be incurred afterwards; see Article 21)
 - (iii) they must be declared under one of the budget categories set out in Article 6.2 and Annex 2
 - (iv) they must be incurred in connection with the action as described in Annex 1 and necessary for its implementation
 - (v) they must be identifiable and verifiable, in particular recorded in the beneficiary's accounts in accordance with the accounting standards applicable in the country where the beneficiary is established and with the beneficiary's usual cost accounting practices
 - (vi) they must comply with the applicable national law on taxes, labour and social security and
 - (vii) they must be reasonable, justified and must comply with the principle of sound financial management, in particular regarding economy and efficiency
- (b) for unit costs or contributions (if any):
 - (i) they must be declared under one of the budget categories set out in Article 6.2 and Annex 2
 - (ii) the units must:
 - be actually used or produced by the beneficiary in the period set out in Article 4 (with the exception of units relating to the submission of the final periodic report, which may be used or produced afterwards; see Article 21)
 - be necessary for the implementation of the action and
 - (iii) the number of units must be identifiable and verifiable, in particular supported by records and documentation (see Article 20)

- (c) for flat-rate costs or contributions (if any):
- (i) they must be declared under one of the budget categories set out in Article 6.2 and Annex 2
 - (ii) the costs or contributions to which the flat-rate is applied must:
 - be eligible
 - relate to the period set out in Article 4 (with the exception of costs or contributions relating to the submission of the final periodic report, which may be incurred afterwards; see Article 21)
- (d) for lump sum costs or contributions (if any):
- (i) they must be declared under one of the budget categories set out in Article 6.2 and Annex 2
 - (ii) the work must be properly implemented by the beneficiary in accordance with Annex 1
 - (iii) the deliverables/outputs must be achieved in the period set out in Article 4 (with the exception of deliverables/outputs relating to the submission of the final periodic report, which may be achieved afterwards; see Article 21)
- (e) for unit, flat-rate or lump sum costs or contributions according to usual cost accounting practices (if any):
- (i) they must fulfil the general eligibility conditions for the type of cost concerned
 - (ii) the cost accounting practices must be applied in a consistent manner, based on objective criteria, regardless of the source of funding
- (f) for financing not linked to costs (if any): the results must be achieved or the conditions must be fulfilled as described in Annex 1.

In addition, for direct cost categories (e.g. personnel, travel & subsistence, subcontracting and other direct costs) only costs that are directly linked to the action implementation and can therefore be attributed to it directly are eligible. They must not include any indirect costs (i.e. costs that are only indirectly linked to the action, e.g. via cost drivers).

6.2 Specific eligibility conditions for each budget category

For each budget category, the **specific eligibility conditions** are as follows:

Direct costs

A. Personnel costs

A.1 Costs for employees (or equivalent) are eligible as personnel costs if they fulfil the general eligibility conditions and are related to personnel working for the beneficiary under an employment contract (or equivalent appointing act) and assigned to the action.

They must be limited to salaries, social security contributions, taxes and other costs linked to the

remuneration, if they arise from national law or the employment contract (or equivalent appointing act) and be calculated on the basis of the costs actually incurred, in accordance with the following method:

{daily rate for the person
multiplied by
number of day-equivalents worked on the action (rounded up or down to the nearest half-day)}.

The daily rate must be calculated as:

{annual personnel costs for the person
divided by
215}.

The number of day-equivalents declared for a person must be identifiable and verifiable (see Article 20).

The total number of day-equivalents declared in EU grants, for a person for a year, cannot be higher than 215.

The personnel costs may also include supplementary payments for personnel assigned to the action (including payments on the basis of supplementary contracts regardless of their nature), if:

- it is part of the beneficiary's usual remuneration practices and is paid in a consistent manner whenever the same kind of work or expertise is required
- the criteria used to calculate the supplementary payments are objective and generally applied by the beneficiary, regardless of the source of funding used.

If the beneficiary uses average personnel costs (unit cost according to usual cost accounting practices), the personnel costs must fulfil the general eligibility conditions for such unit costs and the daily rate must be calculated:

- using the actual personnel costs recorded in the beneficiary's accounts and excluding any costs which are ineligible or already included in other budget categories; the actual personnel costs may be adjusted on the basis of budgeted or estimated elements, if they are relevant for calculating the personnel costs, reasonable and correspond to objective and verifiable information

and

- according to usual cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.

A.2 and A.3 Costs for natural persons working under a direct contract other than an employment contract and costs for **seconded persons by a third party against payment** are also eligible as personnel costs, if they are assigned to the action, fulfil the general eligibility conditions and:

- (a) work under conditions similar to those of an employee (in particular regarding the way the work is organised, the tasks that are performed and the premises where they are performed) and

(b) the result of the work belongs to the beneficiary (unless agreed otherwise).

They must be calculated on the basis of a rate which corresponds to the costs actually incurred for the direct contract or secondment and must not be significantly different from those for personnel performing similar tasks under an employment contract with the beneficiary.

A.4 The work of **SME owners** for the action (i.e. owners of beneficiaries that are small and medium-sized enterprises¹⁰ not receiving a salary) or **natural person beneficiaries** (i.e. beneficiaries that are natural persons not receiving a salary) may be declared as personnel costs, if they fulfil the general eligibility conditions and are calculated as unit costs in accordance with the method set out in Annex 2a.

B. Subcontracting costs

Subcontracting costs for the action (including related duties, taxes and charges, such as non-deductible or non-refundable value added tax (VAT)) 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 (see Article 12).

Beneficiaries that are 'contracting authorities/entities' within the meaning of the EU Directives on public procurement must also comply with the applicable national law on public procurement.

The beneficiaries must ensure that the subcontracted work is performed in the eligible countries or target countries set out in the call conditions — unless otherwise approved by the granting authority.

Subcontracting may cover only a limited part of the action.

The tasks to be subcontracted and the estimated cost for each subcontract must be set out in Annex 1 and the total estimated costs of subcontracting per beneficiary must be set out in Annex 2 (or may be approved ex post in the periodic report, if the use of subcontracting does not entail changes to the Agreement which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants; 'simplified approval procedure').

C. Purchase costs

Purchase costs for the action (including related duties, taxes and charges, such as non-deductible or non-refundable value added tax (VAT)) are eligible if they fulfil the general eligibility conditions and are bought using the beneficiary's usual purchasing practices — provided these ensure purchases with best value for money (or if appropriate the lowest price) and that there is no conflict of interests (see Article 12).

¹⁰ For the definition, see Commission Recommendation 2003/361/EC: micro, small or medium-sized enterprise (SME) are enterprises

- engaged in an economic activity, irrespective of their legal form (including, in particular, self-employed persons and family businesses engaged in craft or other activities, and partnerships or associations regularly engaged in an economic activity) and
- employing fewer than 250 persons (expressed in 'annual working units' as defined in Article 5 of the Recommendation) and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.

Beneficiaries that are ‘contracting authorities/entities’ within the meaning of the EU Directives on public procurement must also comply with the applicable national law on public procurement.

C.1 Travel and subsistence

Purchases for **travel, accommodation and subsistence** must be calculated as follows:

- travel: on the basis of the costs actually incurred and in line with the beneficiary’s usual practices on travel
- accommodation: on the basis of the costs actually incurred and in line with the beneficiary’s usual practices on travel
- subsistence: on the basis of the costs actually incurred and in line with the beneficiary’s usual practices on travel .

C.2 Equipment

Purchases of **equipment, infrastructure or other assets** used for the action must be declared as depreciation costs, calculated on the basis of the costs actually incurred and written off in accordance with international accounting standards and the beneficiary’s usual accounting practices.

Only the portion of the costs that corresponds to the rate of actual use for the action during the action duration can be taken into account.

Costs for **renting or leasing** equipment, infrastructure or other assets are also eligible, if they do not exceed the depreciation costs of similar equipment, infrastructure or assets and do not include any financing fees.

C.3 Other goods, works and services

Purchases of **other goods, works and services** must be calculated on the basis of the costs actually incurred.

Such goods, works and services include, for instance, consumables and supplies, promotion, dissemination, protection of results, translations, publications, certificates and financial guarantees, if required under the Agreement.

D. Other cost categories

D.1 Financial support to third parties

Costs for providing financial support to third parties (in the form of **grants, prizes** or similar forms of support; if any) are eligible, if and as declared eligible in the call conditions, if they fulfil the general eligibility conditions, are calculated on the basis of the costs actually incurred and the support is implemented in accordance with the conditions set out in Annex 1.

These conditions must ensure objective and transparent selection procedures and include at least the following:

- (a) for grants (or similar):
 - (i) the maximum amount of financial support for each third party (‘recipient’); this amount

may not exceed the amount set out in the Data Sheet (see Point 3) or otherwise agreed with the granting authority

- (ii) the criteria for calculating the exact amount of the financial support
 - (iii) the different types of activity that qualify for financial support, on the basis of a closed list
 - (iv) the persons or categories of persons that will be supported and
 - (v) the criteria and procedures for giving financial support
- (b) for prizes (or similar):
- (i) the eligibility and award criteria
 - (ii) the amount of the prize and
 - (iii) the payment arrangements.

D.2 Internally invoiced goods and services

Costs for internally invoiced goods and services directly used for the action may be declared as unit cost according to usual cost accounting practices, if and as declared eligible in the call conditions, if they fulfil the general eligibility conditions for such unit costs and the amount per unit is calculated:

- using the actual costs for the good or service recorded in the beneficiary's accounts, attributed either by direct measurement or on the basis of cost drivers, and excluding any cost which are ineligible or already included in other budget categories; the actual costs may be adjusted on the basis of budgeted or estimated elements, if they are relevant for calculating the costs, reasonable and correspond to objective and verifiable information

and

- according to usual cost accounting practices which are applied in a consistent manner, based on objective criteria, regardless of the source of funding.

'Internally invoiced goods and services' means goods or services which are provided within the beneficiary's organisation directly for the action and which the beneficiary values on the basis of its usual cost accounting practices.

Indirect costs

E. Indirect costs

Indirect costs will be reimbursed at the flat-rate of 7% of the eligible direct costs (categories A-D, except volunteers costs and exempted specific cost categories, if any).

Contributions

Not applicable

6.3 Ineligible costs and contributions

The following costs or contributions are **ineligible**:

- (a) costs or contributions that do not comply with the conditions set out above (Article 6.1 and 6.2), in particular:
 - (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
 - (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 (see Article 31)
 - (x) in-kind contributions by third parties
- (b) costs or contributions declared under other EU grants (or grants awarded by an EU Member State, non-EU country or other body implementing the EU budget), except for the following cases:
 - (i) Synergy actions: not applicable
 - (ii) if the action grant is combined with an operating grant¹¹ running during the same period and the beneficiary can demonstrate that the operating grant does not cover any (direct or indirect) costs of the action grant
- (c) costs or contributions for staff of a national (or regional/local) administration, for activities that are part of the administration's normal activities (i.e. not undertaken only because of the grant)
- (d) costs or contributions (especially travel and subsistence) for staff or representatives of EU institutions, bodies or agencies
- (e) other :
 - (i) costs or contributions for activities that do not take place in one of the eligible countries or target countries set out in the call conditions — unless approved by the granting authority
 - (ii) costs or contributions declared specifically ineligible in the call conditions.

¹¹ For the definition, see Article 180(2)(b) of EU Financial Regulation 2018/1046: '**operating grant**' means an EU grant to finance "the functioning of a body which has an objective forming part of and supporting an EU policy".

6.4 Consequences of non-compliance

If a beneficiary declares costs or contributions that are ineligible, they will be rejected (see Article 27).

This may also lead to other measures described in Chapter 5.

CHAPTER 4 GRANT IMPLEMENTATION

SECTION 1 CONSORTIUM: BENEFICIARIES, AFFILIATED ENTITIES AND OTHER PARTICIPANTS

ARTICLE 7 — BENEFICIARIES

The beneficiaries, as signatories of the Agreement, are fully responsible towards the granting authority for implementing it and for complying with all its obligations.

They must implement the Agreement to their best abilities, in good faith and in accordance with all the obligations and terms and conditions it sets out.

They must have the appropriate resources to implement the action and implement the action under their own responsibility and in accordance with Article 11. If they rely on affiliated entities or other participants (see Articles 8 and 9), they retain sole responsibility towards the granting authority and the other beneficiaries.

They are jointly responsible for the *technical* implementation of the action. If one of the beneficiaries fails to implement their part of the action, the other beneficiaries must ensure that this part is implemented by someone else (without being entitled to an increase of the maximum grant amount and subject to an amendment; see Article 39). The *financial* responsibility of each beneficiary in case of recoveries is governed by Article 22.

The beneficiaries (and their action) must remain eligible under the EU programme funding the grant for the entire duration of the action. Costs and contributions will be eligible only as long as the beneficiary and the action are eligible.

The **internal roles and responsibilities** of the beneficiaries are divided as follows:

- (a) Each beneficiary must:
 - (i) keep information stored in the Portal Participant Register up to date (see Article 19)
 - (ii) inform the granting authority (and the other beneficiaries) immediately of any events or circumstances likely to affect significantly or delay the implementation of the action (see Article 19)
 - (iii) submit to the coordinator in good time:
 - the prefinancing guarantees (if required; see Article 23)
 - the financial statements and certificates on the financial statements (CFS) (if required; see Articles 21 and 24.2 and Data Sheet, Point 4.3)

- the contribution to the deliverables and technical reports (see Article 21)
 - any other documents or information required by the granting authority under the Agreement
- (iv) submit via the Portal data and information related to the participation of their affiliated entities.
- (b) The coordinator must:
- (i) monitor that the action is implemented properly (see Article 11)
 - (ii) act as the intermediary for all communications between the consortium and the granting authority, unless the Agreement or granting authority specifies otherwise, and in particular:
 - submit the prefinancing guarantees to the granting authority (if any)
 - request and review any documents or information required and verify their quality and completeness before passing them on to the granting authority
 - submit the deliverables and reports to the granting authority
 - inform the granting authority about the payments made to the other beneficiaries (report on the distribution of payments; if required, see Articles 22 and 32)
 - (iii) distribute the payments received from the granting authority to the other beneficiaries without unjustified delay (see Article 22).

The coordinator may not delegate or subcontract the above-mentioned tasks to any other beneficiary or third party (including affiliated entities).

However, coordinators which are public bodies may delegate the tasks set out in Point (b)(ii) last indent and (iii) above to entities with ‘authorisation to administer’ which they have created or which are controlled by or affiliated to them. In this case, the coordinator retains sole responsibility for the payments and for compliance with the obligations under the Agreement.

Moreover, coordinators which are ‘sole beneficiaries’¹² (or similar, such as European research infrastructure consortia (ERICs)) may delegate the tasks set out in Point (b)(i) to (iii) above to one of their members. The coordinator retains sole responsibility for compliance with the obligations under the Agreement.

The beneficiaries must have **internal arrangements** regarding their operation and co-ordination, to ensure that the action is implemented properly.

If required by the granting authority (see Data Sheet, Point 1), these arrangements must be set out in a written **consortium agreement** between the beneficiaries, covering for instance:

¹² For the definition, see Article 187(2) EU Financial Regulation 2018/1046: “Where several entities satisfy the criteria for being awarded a grant and together form one entity, that entity may be treated as the **sole beneficiary**, including where it is specifically established for the purpose of implementing the action financed by the grant.”

- the internal organisation of the consortium
- the management of access to the Portal
- different distribution keys for the payments and financial responsibilities in case of recoveries (if any)
- additional rules on rights and obligations related to background and results (see Article 16)
- settlement of internal disputes
- liability, indemnification and confidentiality arrangements between the beneficiaries.

The internal arrangements must not contain any provision contrary to this Agreement.

ARTICLE 8 — AFFILIATED ENTITIES

The following entities which are linked to a beneficiary will participate in the action as ‘affiliated entities’:

- **CYBERSECURITY HUB, ZU (CSH)**, PIC 889292509, linked to NARODNI URAD PRO KYBERNETICKOU A INFORMACNI BEZPECNOST - NUKIB (NCISA)

Affiliated entities can charge costs and contributions to the action under the same conditions as the beneficiaries and must implement the action tasks attributed to them in Annex 1 in accordance with Article 11.

Their costs and contributions will be included in Annex 2 and will be taken into account for the calculation of the grant.

The beneficiaries must ensure that all their obligations under this Agreement also apply to their affiliated entities.

The beneficiaries must ensure that the bodies mentioned in Article 25 (e.g. granting authority, OLAF, Court of Auditors (ECA), etc.) can exercise their rights also towards the affiliated entities.

Breaches by affiliated entities will be handled in the same manner as breaches by beneficiaries. Recovery of undue amounts will be handled through the beneficiaries.

If the granting authority requires joint and several liability of affiliated entities (see Data Sheet, Point 4.4), they must sign the declaration set out in Annex 3a and may be held liable in case of enforced recoveries against their beneficiaries (see Article 22.2 and 22.4).

ARTICLE 9 — OTHER PARTICIPANTS INVOLVED IN THE ACTION

9.1 Associated partners

Not applicable

9.2 Third parties giving in-kind contributions to the action

Other third parties may give in-kind contributions to the action (i.e. personnel, equipment, other goods, works and services, etc. which are free-of-charge), if necessary for the implementation.

Third parties giving in-kind contributions do not implement any action tasks. They may not charge costs or contributions to the action and the costs for the in-kind contributions are not eligible.

The third parties and their in-kind contributions should be set out in Annex 1.

9.3 Subcontractors

Subcontractors may participate in the action, if necessary for the implementation.

Subcontractors must implement their action tasks in accordance with Article 11. The costs for the subcontracted tasks (invoiced price from the subcontractor) are eligible and may be charged by the beneficiaries, under the conditions set out in Article 6. The costs will be included in Annex 2 as part of the beneficiaries' costs.

The beneficiaries must ensure that their contractual obligations under Articles 11 (proper implementation), 12 (conflict of interest), 13 (confidentiality and security), 14 (ethics), 17.2 (visibility), 18 (specific rules for carrying out action), 19 (information) and 20 (record-keeping) also apply to the subcontractors.

The beneficiaries must ensure that the bodies mentioned in Article 25 (e.g. granting authority, OLAF, Court of Auditors (ECA), etc.) can exercise their rights also towards the subcontractors.

9.4 Recipients of financial support to third parties

If the action includes providing financial support to third parties (e.g. grants, prizes or similar forms of support), the beneficiaries must ensure that their contractual obligations under Articles 12 (conflict of interest), 13 (confidentiality and security), 14 (ethics), 17.2 (visibility), 18 (specific rules for carrying out action), 19 (information) and 20 (record-keeping) also apply to the third parties receiving the support (recipients).

The beneficiaries must also ensure that the bodies mentioned in Article 25 (e.g. granting authority, OLAF, Court of Auditors (ECA), etc.) can exercise their rights also towards the recipients.

ARTICLE 10 — PARTICIPANTS WITH SPECIAL STATUS

10.1 Non-EU participants

Participants which are established in a non-EU country (if any) undertake to comply with their obligations under the Agreement and:

- to respect general principles (including fundamental rights, values and ethical principles, environmental and labour standards, rules on classified information, intellectual property rights, visibility of funding and protection of personal data)
- for the submission of certificates under Article 24: to use qualified external auditors which

are independent and comply with comparable standards as those set out in EU Directive 2006/43/EC¹³

- for the controls under Article 25: to allow for checks, reviews, audits and investigations (including on-the-spot checks, visits and inspections) by the bodies mentioned in that Article (e.g. granting authority, OLAF, Court of Auditors (ECA), etc.).

Special rules on dispute settlement apply (see Data Sheet, Point 5).

10.2 Participants which are international organisations

Participants which are international organisations (IOs; if any) undertake to comply with their obligations under the Agreement and:

- to respect general principles (including fundamental rights, values and ethical principles, environmental and labour standards, rules on classified information, intellectual property rights, visibility of funding and protection of personal data)
- for the submission of certificates under Article 24: to use either independent public officers or external auditors which comply with comparable standards as those set out in EU Directive 2006/43/EC
- for the controls under Article 25: to allow for the checks, reviews, audits and investigations by the bodies mentioned in that Article, taking into account the specific agreements concluded by them and the EU (if any).

For such participants, nothing in the Agreement will be interpreted as a waiver of their privileges or immunities, as accorded by their constituent documents or international law.

Special rules on applicable law and dispute settlement apply (see Article 43 and Data Sheet, Point 5).

10.3 Pillar-assessed participants

Pillar-assessed participants (if any) may rely on their own systems, rules and procedures, in so far as they have been positively assessed and do not call into question the decision awarding the grant or breach the principle of equal treatment of applicants or beneficiaries.

‘Pillar-assessment’ means a review by the European Commission on the systems, rules and procedures which participants use for managing EU grants (in particular internal control system, accounting system, external audits, financing of third parties, rules on recovery and exclusion, information on recipients and protection of personal data; see Article 154 EU Financial Regulation 2018/1046).

Participants with a positive pillar assessment may rely on their own systems, rules and procedures, in particular for:

- record-keeping (Article 20): may be done in accordance with internal standards, rules and procedures

¹³ Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts or similar national regulations (OJ L 157, 9.6.2006, p. 87).

- currency conversion for financial statements (Article 21): may be done in accordance with usual accounting practices
- guarantees (Article 23): for public law bodies, prefinancing guarantees are not needed
- certificates (Article 24):
 - certificates on the financial statements (CFS): may be provided by their regular internal or external auditors and in accordance with their internal financial regulations and procedures
 - certificates on usual accounting practices (CoMUC): are not needed if those practices are covered by an ex-ante assessment

and use the following specific rules, for:

- recoveries (Article 22): in case of financial support to third parties, there will be no recovery if the participant has done everything possible to retrieve the undue amounts from the third party receiving the support (including legal proceedings) and non-recovery is not due to an error or negligence on its part
- checks, reviews, audits and investigations by the EU (Article 25): will be conducted taking into account the rules and procedures specifically agreed between them and the framework agreement (if any)
- impact evaluation (Article 26): will be conducted in accordance with the participant's internal rules and procedures and the framework agreement (if any)
- grant agreement suspension (Article 31): certain costs incurred during grant suspension are eligible (notably, minimum costs necessary for a possible resumption of the action and costs relating to contracts which were entered into before the pre-information letter was received and which could not reasonably be suspended, reallocated or terminated on legal grounds)
- grant agreement termination (Article 32): the final grant amount and final payment will be calculated taking into account also costs relating to contracts due for execution only after termination takes effect, if the contract was entered into before the pre-information letter was received and could not reasonably be terminated on legal grounds
- liability for damages (Article 33.2): the granting authority must be compensated for damage it sustains as a result of the implementation of the action or because the action was not implemented in full compliance with the Agreement only if the damage is due to an infringement of the participant's internal rules and procedures or due to a violation of third parties' rights by the participant or one of its employees or individual for whom the employees are responsible.

Participants whose pillar assessment covers procurement and granting procedures may also do purchases, subcontracting and financial support to third parties (Article 6.2) in accordance with their internal rules and procedures for purchases, subcontracting and financial support.

Participants whose pillar assessment covers data protection rules may rely on their internal standards, rules and procedures for data protection (Article 15).

The participants may however not rely on provisions which would breach the principle of equal treatment of applicants or beneficiaries or call into question the decision awarding the grant, such as in particular:

- eligibility (Article 6)
- consortium roles and set-up (Articles 7-9)
- security and ethics (Articles 13, 14)
- IPR (including background and results, access rights and rights of use), communication, dissemination and visibility (Articles 16 and 17)
- information obligation (Article 19)
- payment, reporting and amendments (Articles 21, 22 and 39)
- rejections, reductions, suspensions and terminations (Articles 27, 28, 29-32)

If the pillar assessment was subject to remedial measures, reliance on the internal systems, rules and procedures is subject to compliance with those remedial measures.

Participants whose assessment has not yet been updated to cover (the new rules on) data protection may rely on their internal systems, rules and procedures, provided that they ensure that personal data is:

- processed lawfully, fairly and in a transparent manner in relation to the data subject
- collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes
- adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed
- accurate and, where necessary, kept up to date
- kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the data is processed and
- processed in a manner that ensures appropriate security of the personal data.

Participants must inform the coordinator without delay of any changes to the systems, rules and procedures that were part of the pillar assessment. The coordinator must immediately inform the granting authority.

Pillar-assessed participants that have also concluded a framework agreement with the EU, may moreover — under the same conditions as those above (i.e. not call into question the decision awarding the grant or breach the principle of equal treatment of applicants or beneficiaries) — rely on the provisions set out in that framework agreement.

SECTION 2 RULES FOR CARRYING OUT THE ACTION

ARTICLE 11 — PROPER IMPLEMENTATION OF THE ACTION

11.1 Obligation to properly implement the action

The beneficiaries must implement the action as described in Annex 1 and in compliance with the provisions of the Agreement, the call conditions and all legal obligations under applicable EU, international and national law.

11.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 12 — CONFLICT OF INTERESTS

12.1 Conflict of interests

The beneficiaries must take all measures to prevent any situation where the impartial and objective implementation of the Agreement could be compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other direct or indirect interest ('conflict of interests').

They must formally notify the granting authority without delay of any situation constituting or likely to lead to a conflict of interests and immediately take all the necessary steps to rectify this situation.

The granting authority may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

12.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28) and the grant or the beneficiary may be terminated (see Article 32).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 13 — CONFIDENTIALITY AND SECURITY

13.1 Sensitive information

The parties must keep confidential any data, documents or other material (in any form) that is identified as sensitive in writing ('sensitive information') — during the implementation of the action and for at least until the time-limit set out in the Data Sheet (see Point 6).

If a beneficiary requests, the granting authority may agree to keep such information confidential for a longer period.

Unless otherwise agreed between the parties, they may use sensitive information only to implement the Agreement.

The beneficiaries may disclose sensitive information to their personnel or other participants involved in the action only if they:

- (a) need to know it in order to implement the Agreement and
- (b) are bound by an obligation of confidentiality.

The granting authority may disclose sensitive information to its staff and to other EU institutions and bodies.

It may moreover disclose sensitive information to third parties, if:

- (a) this is necessary to implement the Agreement or safeguard the EU financial interests and
- (b) the recipients of the information are bound by an obligation of confidentiality.

The confidentiality obligations no longer apply if:

- (a) the disclosing party agrees to release the other party
- (b) the information becomes publicly available, without breaching any confidentiality obligation
- (c) the disclosure of the sensitive information is required by EU, international or national law.

Specific confidentiality rules (if any) are set out in Annex 5.

13.2 Classified information

The parties must handle classified information in accordance with the applicable EU, international or national law on classified information (in particular, Decision 2015/444¹⁴ and its implementing rules).

Deliverables which contain classified information must be submitted according to special procedures agreed with the granting authority.

Action tasks involving classified information may be subcontracted only after explicit approval (in writing) from the granting authority.

Classified information may not be disclosed to any third party (including participants involved in the action implementation) without prior explicit written approval from the granting authority.

Specific security rules (if any) are set out in Annex 5.

13.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 14 — ETHICS AND VALUES

14.1 Ethics

¹⁴ Commission Decision 2015/444/EC, Euratom of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

The action must be carried out in line with the highest ethical standards and the applicable EU, international and national law on ethical principles.

Specific ethics rules (if any) are set out in Annex 5.

14.2 Values

The beneficiaries must commit to and ensure the respect of basic EU values (such as respect for human dignity, freedom, democracy, equality, the rule of law and human rights, including the rights of minorities).

Specific rules on values (if any) are set out in Annex 5.

14.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 15 — DATA PROTECTION

15.1 Data processing by the granting authority

Any personal data under the Agreement will be processed under the responsibility of the data controller of the granting authority in accordance with and for the purposes set out in the Portal Privacy Statement.

For grants where the granting authority is the European Commission, an EU regulatory or executive agency, joint undertaking or other EU body, the processing will be subject to Regulation 2018/1725¹⁵.

15.2 Data processing by the beneficiaries

The beneficiaries must process personal data under the Agreement in compliance with the applicable EU, international and national law on data protection (in particular, Regulation 2016/679¹⁶).

They must ensure that personal data is:

- processed lawfully, fairly and in a transparent manner in relation to the data subjects
- collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes

¹⁵ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

¹⁶ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ('GDPR') (OJ L 119, 4.5.2016, p. 1).

- adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed
- accurate and, where necessary, kept up to date
- kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the data is processed and
- processed in a manner that ensures appropriate security of the data.

The beneficiaries may grant their personnel access to personal data only if it is strictly necessary for implementing, managing and monitoring the Agreement. The beneficiaries must ensure that the personnel is under a confidentiality obligation.

The beneficiaries must inform the persons whose data are transferred to the granting authority and provide them with the Portal Privacy Statement.

15.3 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 16 — INTELLECTUAL PROPERTY RIGHTS (IPR) — BACKGROUND AND RESULTS — ACCESS RIGHTS AND RIGHTS OF USE

16.1 Background and access rights to background

The beneficiaries must give each other and the other participants access to the background identified as needed for implementing the action, subject to any specific rules in Annex 5.

‘Background’ means any data, know-how or information — whatever its form or nature (tangible or intangible), including any rights such as intellectual property rights — that is:

- (a) held by the beneficiaries before they acceded to the Agreement and
- (b) needed to implement the action or exploit the results.

If background is subject to rights of a third party, the beneficiary concerned must ensure that it is able to comply with its obligations under the Agreement.

16.2 Ownership of results

The granting authority does not obtain ownership of the results produced under the action.

‘Results’ means any tangible or intangible effect of the action, such as data, know-how or information, whatever its form or nature, whether or not it can be protected, as well as any rights attached to it, including intellectual property rights.

16.3 Rights of use of the granting authority on materials, documents and information received for policy, information, communication, dissemination and publicity purposes

The granting authority has the right to use non-sensitive information relating to the action and materials and documents received from the beneficiaries (notably summaries for publication, deliverables, as well as any other material, such as pictures or audio-visual material, in paper or electronic form) for policy, information, communication, dissemination and publicity purposes — during the action or afterwards.

The right to use the beneficiaries' materials, documents and information is granted in the form of a royalty-free, non-exclusive and irrevocable licence, which includes the following rights:

- (a) **use for its own purposes** (in particular, making them available to persons working for the granting authority or any other EU service (including institutions, bodies, offices, agencies, etc.) or EU Member State institution or body; copying or reproducing them in whole or in part, in unlimited numbers; and communication through press information services)
- (b) **distribution to the public** (in particular, publication as hard copies and in electronic or digital format, publication on the internet, as a downloadable or non-downloadable file, broadcasting by any channel, public display or presentation, communicating through press information services, or inclusion in widely accessible databases or indexes)
- (c) **editing or redrafting** (including shortening, summarising, inserting other elements (e.g. meta-data, legends, other graphic, visual, audio or text elements), extracting parts (e.g. audio or video files), dividing into parts, use in a compilation)
- (d) **translation**
- (e) **storage** in paper, electronic or other form
- (f) **archiving**, in line with applicable document-management rules
- (g) the right to authorise **third parties** to act on its behalf or sub-license to third parties the modes of use set out in Points (b), (c), (d) and (f), if needed for the information, communication and publicity activity of the granting authority
- (h) **processing**, analysing, aggregating the materials, documents and information received and **producing derivative works**.

The rights of use are granted for the whole duration of the industrial or intellectual property rights concerned.

If materials or documents are subject to moral rights or third party rights (including intellectual property rights or rights of natural persons on their image and voice), the beneficiaries must ensure that they comply with their obligations under this Agreement (in particular, by obtaining the necessary licences and authorisations from the rights holders concerned).

Where applicable, the granting authority will insert the following information:

“© – [year] – [name of the copyright owner]. All rights reserved. Licensed to the [name of granting authority] under conditions.”

16.4 Specific rules on IPR, results and background

Specific rules regarding intellectual property rights, results and background (if any) are set out in Annex 5.

16.5 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such a breach may also lead to other measures described in Chapter 5.

ARTICLE 17 — COMMUNICATION, DISSEMINATION AND VISIBILITY

17.1 Communication — Dissemination — Promoting the action

Unless otherwise agreed with the granting authority, the beneficiaries must promote the action and its results by providing targeted information to multiple audiences (including the media and the public), in accordance with Annex 1 and in a strategic, coherent and effective manner.

Before engaging in a communication or dissemination activity expected to have a major media impact, the beneficiaries must inform the granting authority.

17.2 Visibility — European flag and funding statement

Unless otherwise agreed with the granting authority, communication activities of the beneficiaries related to the action (including media relations, conferences, seminars, information material, such as brochures, leaflets, posters, presentations, etc., in electronic form, via traditional or social media, etc.), dissemination activities and any infrastructure, equipment, vehicles, supplies or major result funded by the grant must acknowledge EU support and display the European flag (emblem) and funding statement (translated into local languages, where appropriate):



Funded by the
European Union



Co-funded by the
European Union



Funded by the
European Union



Co-funded by the
European Union

The emblem must remain distinct and separate and cannot be modified by adding other visual marks, brands or text.

Apart from the emblem, no other visual identity or logo may be used to highlight the EU support.

When displayed in association with other logos (e.g. of beneficiaries or sponsors), the emblem must be displayed at least as prominently and visibly as the other logos.

For the purposes of their obligations under this Article, the beneficiaries may use the emblem without first obtaining approval from the granting authority. This does not, however, give them the right to exclusive use. Moreover, they may not appropriate the emblem or any similar trademark or logo, either by registration or by any other means.

17.3 Quality of information — Disclaimer

Any communication or dissemination activity related to the action must use factually accurate information.

Moreover, it must indicate the following disclaimer (translated into local languages where appropriate):

“Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or [name of the granting authority]. Neither the European Union nor the granting authority can be held responsible for them.”

17.4 Specific communication, dissemination and visibility rules

Specific communication, dissemination and visibility rules (if any) are set out in Annex 5.

17.5 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 18 — SPECIFIC RULES FOR CARRYING OUT THE ACTION

18.1 Specific rules for carrying out the action

Specific rules for implementing the action (if any) are set out in Annex 5.

18.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such a breach may also lead to other measures described in Chapter 5.

SECTION 3 GRANT ADMINISTRATION

ARTICLE 19 — GENERAL INFORMATION OBLIGATIONS

19.1 Information requests

The beneficiaries must provide — during the action or afterwards and in accordance with Article 7 — any information requested in order to verify eligibility of the costs or contributions declared, proper implementation of the action and compliance with the other obligations under the Agreement.

The information provided must be accurate, precise and complete and in the format requested, including electronic format.

19.2 Participant Register data updates

The beneficiaries must keep — at all times, during the action or afterwards — their information stored in the Portal Participant Register up to date, in particular, their name, address, legal representatives, legal form and organisation type.

19.3 Information about events and circumstances which impact the action

The beneficiaries must immediately inform the granting authority (and the other beneficiaries) of any of the following:

- (a) **events** which are likely to affect or delay the implementation of the action or affect the EU's financial interests, in particular:
 - (i) changes in their legal, financial, technical, organisational or ownership situation (including changes linked to one of the exclusion grounds listed in the declaration of honour signed before grant signature)
 - (ii) linked action information: not applicable
- (b) **circumstances** affecting:
 - (i) the decision to award the grant or
 - (ii) compliance with requirements under the Agreement.

19.4 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 20 — RECORD-KEEPING

20.1 Keeping records and supporting documents

The beneficiaries must — at least until the time-limit set out in the Data Sheet (see Point 6) — keep records and other supporting documents to prove the proper implementation of the action in line with the accepted standards in the respective field (if any).

In addition, the beneficiaries must — for the same period — keep the following to justify the amounts declared:

- (a) for actual costs: adequate records and supporting documents to prove the costs declared (such

as contracts, subcontracts, invoices and accounting records); in addition, the beneficiaries' usual accounting and internal control procedures must enable direct reconciliation between the amounts declared, the amounts recorded in their accounts and the amounts stated in the supporting documents

- (b) for flat-rate costs and contributions (if any): adequate records and supporting documents to prove the eligibility of the costs or contributions to which the flat-rate is applied
- (c) for the following simplified costs and contributions: the beneficiaries do not need to keep specific records on the actual costs incurred, but must keep:
 - (i) for unit costs and contributions (if any): adequate records and supporting documents to prove the number of units declared
 - (ii) for lump sum costs and contributions (if any): adequate records and supporting documents to prove proper implementation of the work as described in Annex 1
 - (iii) for financing not linked to costs (if any): adequate records and supporting documents to prove the achievement of the results or the fulfilment of the conditions as described in Annex 1
- (d) for unit, flat-rate and lump sum costs and contributions according to usual cost accounting practices (if any): the beneficiaries must keep any adequate records and supporting documents to prove that their cost accounting practices have been applied in a consistent manner, based on objective criteria, regardless of the source of funding, and that they comply with the eligibility conditions set out in Articles 6.1 and 6.2.

Moreover, the following is needed for specific budget categories:

- (e) for personnel costs: time worked for the beneficiary under the action must be supported by declarations signed monthly by the person and their supervisor, unless another reliable time-record system is in place; the granting authority may accept alternative evidence supporting the time worked for the action declared, if it considers that it offers an adequate level of assurance
- (f) additional record-keeping rules: not applicable

The records and supporting documents must be made available upon request (see Article 19) or in the context of checks, reviews, audits or investigations (see Article 25).

If there are on-going checks, reviews, audits, investigations, litigation or other pursuits of claims under the Agreement (including the extension of findings; see Article 25), the beneficiaries must keep these records and other supporting documentation until the end of these procedures.

The beneficiaries must keep the original documents. Digital and digitalised documents are considered originals if they are authorised by the applicable national law. The granting authority may accept non-original documents if they offer a comparable level of assurance.

20.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, costs or contributions insufficiently

substantiated will be ineligible (see Article 6) and will be rejected (see Article 27), and the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 21 — REPORTING

21.1 Continuous reporting

The beneficiaries must continuously report on the progress of the action (e.g. **deliverables, milestones, outputs/outcomes, critical risks, indicators**, etc; if any), in the Portal Continuous Reporting tool and in accordance with the timing and conditions it sets out (as agreed with the granting authority).

Standardised deliverables (e.g. progress reports not linked to payments, reports on cumulative expenditure, special reports, etc; if any) must be submitted using the templates published on the Portal.

21.2 Periodic reporting: Technical reports and financial statements

In addition, the beneficiaries must provide reports to request payments, in accordance with the schedule and modalities set out in the Data Sheet (see Point 4.2):

- for additional prefinancings (if any): an **additional prefinancing report**
- for interim payments (if any) and the final payment: a **periodic report**.

The prefinancing and periodic reports include a technical and financial part.

The technical part includes an overview of the action implementation. It must be prepared using the template available in the Portal Periodic Reporting tool.

The financial part of the additional prefinancing report includes a statement on the use of the previous prefinancing payment.

The financial part of the periodic report includes:

- the financial statements (individual and consolidated; for all beneficiaries/affiliated entities)
- the explanation on the use of resources (or detailed cost reporting table, if required)
- the certificates on the financial statements (CFS) (if required; see Article 24.2 and Data Sheet, Point 4.3).

The **financial statements** must detail the eligible costs and contributions for each budget category and, for the final payment, also the revenues for the action (see Articles 6 and 22).

All eligible costs and contributions incurred should be declared, even if they exceed the amounts indicated in the estimated budget (see Annex 2). Amounts that are not declared in the individual financial statements will not be taken into account by the granting authority.

By signing the financial statements (directly in the Portal Periodic Reporting tool), the beneficiaries confirm that:

- the information provided is complete, reliable and true
- the costs and contributions declared are eligible (see Article 6)
- the costs and contributions can be substantiated by adequate records and supporting documents (see Article 20) that will be produced upon request (see Article 19) or in the context of checks, reviews, audits and investigations (see Article 25)
- for the final periodic report: all the revenues have been declared (if required; see Article 22).

Beneficiaries will have to submit also the financial statements of their affiliated entities (if any). In case of recoveries (see Article 22), beneficiaries will be held responsible also for the financial statements of their affiliated entities.

21.3 Currency for financial statements and conversion into euros

The financial statements must be drafted in euro.

Beneficiaries with general accounts established in a currency other than the euro must convert the costs recorded in their accounts into euro, at the average of the daily exchange rates published in the C series of the *Official Journal of the European Union* (ECB website), calculated over the corresponding reporting period.

If no daily euro exchange rate is published in the *Official Journal* for the currency in question, they must be converted at the average of the monthly accounting exchange rates published on the European Commission website (InforEuro), calculated over the corresponding reporting period.

Beneficiaries with general accounts in euro must convert costs incurred in another currency into euro according to their usual accounting practices.

21.4 Reporting language

The reporting must be in the language of the Agreement, unless otherwise agreed with the granting authority (see Data Sheet, Point 4.2).

21.5 Consequences of non-compliance

If a report submitted does not comply with this Article, the granting authority may suspend the payment deadline (see Article 29) and apply other measures described in Chapter 5.

If the coordinator breaches its reporting obligations, the granting authority may terminate the grant or the coordinator's participation (see Article 32) or apply other measures described in Chapter 5.

ARTICLE 22 — PAYMENTS AND RECOVERIES — CALCULATION OF AMOUNTS DUE

22.1 Payments and payment arrangements

Payments will be made in accordance with the schedule and modalities set out in the Data Sheet (see Point 4.2).

They will be made in euro to the bank account indicated by the coordinator (see Data Sheet, Point 4.2)

and must be distributed without unjustified delay (restrictions may apply to distribution of the initial prefinancing payment; see Data Sheet, Point 4.2).

Payments to this bank account will discharge the granting authority from its payment obligation.

The cost of payment transfers will be borne as follows:

- the granting authority bears the cost of transfers charged by its bank
- the beneficiary bears the cost of transfers charged by its bank
- the party causing a repetition of a transfer bears all costs of the repeated transfer.

Payments by the granting authority will be considered to have been carried out on the date when they are debited to its account.

22.2 Recoveries

Recoveries will be made, if — at beneficiary termination, final payment or afterwards — it turns out that the granting authority has paid too much and needs to recover the amounts undue.

The general liability regime for recoveries (first-line liability) is as follows: At final payment, the coordinator will be fully liable for recoveries, even if it has not been the final recipient of the undue amounts. At beneficiary termination or after final payment, recoveries will be made directly against the beneficiaries concerned.

Beneficiaries will be fully liable for repaying the debts of their affiliated entities.

In case of enforced recoveries (see Article 22.4):

- the beneficiaries will be jointly and severally liable for repaying debts of another beneficiary under the Agreement (including late-payment interest), if required by the granting authority (see Data Sheet, Point 4.4)
- affiliated entities will be held liable for repaying debts of their beneficiaries under the Agreement (including late-payment interest), if required by the granting authority (see Data Sheet, Point 4.4).

22.3 Amounts due

22.3.1 Prefinancing payments

The aim of the prefinancing is to provide the beneficiaries with a float.

It remains the property of the EU until the final payment.

For **initial prefinancings** (if any), the amount due, schedule and modalities are set out in the Data Sheet (see Point 4.2).

For **additional prefinancings** (if any), the amount due, schedule and modalities are also set out in the Data Sheet (see Point 4.2). However, if the statement on the use of the previous prefinancing payment shows that less than 70% was used, the amount set out in the Data Sheet will be reduced by the difference between the 70% threshold and the amount used.

Prefinancing payments (or parts of them) may be offset (without the beneficiaries' consent) against amounts owed by a beneficiary to the granting authority — up to the amount due to that beneficiary.

For grants where the granting authority is the European Commission or an EU executive agency, offsetting may also be done against amounts owed to other Commission services or executive agencies.

Payments will not be made if the payment deadline or payments are suspended (see Articles 29 and 30).

22.3.2 Amount due at beneficiary termination — Recovery

In case of beneficiary termination, the granting authority will determine the provisional amount due for the beneficiary concerned. Payments (if any) will be made with the next interim or final payment.

The **amount due** will be calculated in the following step:

Step 1 — Calculation of the total accepted EU contribution

Step 1 — Calculation of the total accepted EU contribution

The granting authority will first calculate the 'accepted EU contribution' for the beneficiary for all reporting periods, by calculating the 'maximum EU contribution to costs' (applying the funding rate to the accepted costs of the beneficiary), taking into account requests for a lower contribution to costs and CFS threshold cappings (if any; see Article 24.5) and adding the contributions (accepted unit, flat-rate or lump sum contributions and financing not linked to costs, if any).

After that, the granting authority will take into account grant reductions (if any). The resulting amount is the 'total accepted EU contribution' for the beneficiary.

The **balance** is then calculated by deducting the payments received (if any; see report on the distribution of payments in Article 32), from the total accepted EU contribution:

$$\left\{ \begin{array}{l} \text{total accepted EU contribution for the beneficiary} \\ \text{minus} \\ \text{prefinancing and interim payments received (if any)} \end{array} \right\}.$$

If the balance is **positive**, the amount will be included in the next interim or final payment to the consortium.

If the balance is **negative**, it will be **recovered** in accordance with the following procedure:

The granting authority will send a **pre-information letter** to the beneficiary concerned:

- formally notifying the intention to recover, the amount due, the amount to be recovered and the reasons why and
- requesting observations within 30 days of receiving notification.

If no observations are submitted (or the granting authority decides to pursue recovery despite the observations it has received), it will confirm the amount to be recovered and ask this amount to be paid to the coordinator (**confirmation letter**).

The amounts will later on also be taken into account for the next interim or final payment.

22.3.3 Interim payments

Interim payments reimburse the eligible costs and contributions claimed for the implementation of the action during the reporting periods (if any).

Interim payments (if any) will be made in accordance with the schedule and modalities set out the Data Sheet (see Point 4.2).

Payment is subject to the approval of the periodic report. Its approval does not imply recognition of compliance, authenticity, completeness or correctness of its content.

The **interim payment** will be calculated by the granting authority in the following steps:

Step 1 — Calculation of the total accepted EU contribution

Step 2 — Limit to the interim payment ceiling

Step 1 — Calculation of the total accepted EU contribution

The granting authority will calculate the ‘accepted EU contribution’ for the action for the reporting period, by first calculating the ‘maximum EU contribution to costs’ (applying the funding rate to the accepted costs of each beneficiary), taking into account requests for a lower contribution to costs, and CFS threshold cappings (if any; see Article 24.5) and adding the contributions (accepted unit, flat-rate or lump sum contributions and financing not linked to costs, if any).

After that, the granting authority will take into account grant reductions from beneficiary termination (if any). The resulting amount is the ‘total accepted EU contribution’.

Step 2 — Limit to the interim payment ceiling

The resulting amount is then capped to ensure that the total amount of prefinancing and interim payments (if any) does not exceed the interim payment ceiling set out in the Data Sheet (see Point 4.2).

Interim payments (or parts of them) may be offset (without the beneficiaries’ consent) against amounts owed by a beneficiary to the granting authority — up to the amount due to that beneficiary.

For grants where the granting authority is the European Commission or an EU executive agency, offsetting may also be done against amounts owed to other Commission services or executive agencies.

Payments will not be made if the payment deadline or payments are suspended (see Articles 29 and 30).

22.3.4 Final payment — Final grant amount — Revenues and Profit — Recovery

The final payment (payment of the balance) reimburses the remaining part of the eligible costs and contributions claimed for the implementation of the action (if any).

The final payment will be made in accordance with the schedule and modalities set out in the Data Sheet (see Point 4.2).

Payment is subject to the approval of the final periodic report. Its approval does not imply recognition of compliance, authenticity, completeness or correctness of its content.

The **final grant amount for the action** will be calculated in the following steps:

Step 1 — Calculation of the total accepted EU contribution

Step 2 — Limit to the maximum grant amount

Step 3 — Reduction due to the no-profit rule

Step 1 — Calculation of the total accepted EU contribution

The granting authority will first calculate the ‘accepted EU contribution’ for the action for all reporting periods, by calculating the ‘maximum EU contribution to costs’ (applying the funding rate to the total accepted costs of each beneficiary), taking into account requests for a lower contribution to costs, CFS threshold cappings (if any; see Article 24.5) and adding the contributions (accepted unit, flat-rate or lump sum contributions and financing not linked to costs, if any).

After that, the granting authority will take into account grant reductions (if any). The resulting amount is the ‘total accepted EU contribution’.

Step 2 — Limit to the maximum grant amount

If the resulting amount is higher than the maximum grant amount set out in Article 5.2, it will be limited to the latter.

Step 3 — Reduction due to the no-profit rule

If the no-profit rule is provided for in the Data Sheet (see Point 4.2), the grant must not produce a profit (i.e. surplus of the amount obtained following Step 2 plus the action’s revenues, over the eligible costs and contributions approved by the granting authority).

‘Revenue’ is all income generated by the action, during its duration (see Article 4), for beneficiaries that are profit legal entities.

If there is a profit, it will be deducted in proportion to the final rate of reimbursement of the eligible costs approved by the granting authority (as compared to the amount calculated following Steps 1 and 2 minus the contributions).

The **balance** (final payment) is then calculated by deducting the total amount of prefinancing and interim payments already made (if any), from the final grant amount:

$$\left\{ \begin{array}{l} \text{final grant amount} \\ \text{minus} \\ \text{prefinancing and interim payments made (if any)} \end{array} \right\}$$

If the balance is **positive**, it will be **paid** to the coordinator.

The final payment (or part of it) may be offset (without the beneficiaries’ consent) against amounts owed by a beneficiary to the granting authority — up to the amount due to that beneficiary.

For grants where the granting authority is the European Commission or an EU executive agency, offsetting may also be done against amounts owed to other Commission services or executive agencies.

Payments will not be made if the payment deadline or payments are suspended (see Articles 29 and 30).

If the balance is **negative**, it will be **recovered** in accordance with the following procedure:

The granting authority will send a **pre-information letter** to the coordinator:

- formally notifying the intention to recover, the final grant amount, the amount to be recovered and the reasons why
- requesting observations within 30 days of receiving notification.

If no observations are submitted (or the granting authority decides to pursue recovery despite the observations it has received), it will confirm the amount to be recovered (**confirmation letter**), together with a **debit note** with the terms and date for payment.

If payment is not made by the date specified in the debit note, the granting authority will **enforce recovery** in accordance with Article 22.4.

22.3.5 Audit implementation after final payment — Revised final grant amount — Recovery

If — after the final payment (in particular, after checks, reviews, audits or investigations; see Article 25) — the granting authority rejects costs or contributions (see Article 27) or reduces the grant (see Article 28), it will calculate the **revised final grant amount** for the beneficiary concerned.

The **beneficiary revised final grant amount** will be calculated in the following step:

Step 1 — Calculation of the revised total accepted EU contribution

Step 1 — Calculation of the revised total accepted EU contribution

The granting authority will first calculate the ‘revised accepted EU contribution’ for the beneficiary, by calculating the ‘revised accepted costs’ and ‘revised accepted contributions’.

After that, it will take into account grant reductions (if any). The resulting ‘revised total accepted EU contribution’ is the beneficiary revised final grant amount.

If the revised final grant amount is lower than the beneficiary’s final grant amount (i.e. its share in the final grant amount for the action), it will be **recovered** in accordance with the following procedure:

The **beneficiary final grant amount** (i.e. share in the final grant amount for the action) is calculated as follows:

$$\left\{ \begin{array}{l} \text{total accepted EU contribution for the beneficiary} \\ \text{divided by} \\ \text{total accepted EU contribution for the action} \end{array} \right\}$$

multiplied by

final grant amount for the action}.

The granting authority will send a **pre-information letter** to the beneficiary concerned:

- formally notifying the intention to recover, the amount to be recovered and the reasons why and
- requesting observations within 30 days of receiving notification.

If no observations are submitted (or the granting authority decides to pursue recovery despite the observations it has received), it will confirm the amount to be recovered (**confirmation letter**), together with a **debit note** with the terms and the date for payment.

Recoveries against affiliated entities (if any) will be handled through their beneficiaries.

If payment is not made by the date specified in the debit note, the granting authority will **enforce recovery** in accordance with Article 22.4.

22.4 Enforced recovery

If payment is not made by the date specified in the debit note, the amount due will be recovered:

- (a) by offsetting the amount — without the coordinator or beneficiary's consent — against any amounts owed to the coordinator or beneficiary by the granting authority.

In exceptional circumstances, to safeguard the EU financial interests, the amount may be offset before the payment date specified in the debit note.

For grants where the granting authority is the European Commission or an EU executive agency, debts may also be offset against amounts owed by other Commission services or executive agencies.

- (b) by drawing on the financial guarantee(s) (if any)
- (c) by holding other beneficiaries jointly and severally liable (if any; see Data Sheet, Point 4.4)
- (d) by holding affiliated entities jointly and severally liable (if any, see Data Sheet, Point 4.4)
- (e) by taking legal action (see Article 43) or, provided that the granting authority is the European Commission or an EU executive agency, by adopting an enforceable decision under Article 299 of the Treaty on the Functioning of the EU (TFEU) and Article 100(2) of EU Financial Regulation 2018/1046.

The amount to be recovered will be increased by **late-payment interest** at the rate set out in Article 22.5, from the day following the payment date in the debit note, up to and including the date the full payment is received.

Partial payments will be first credited against expenses, charges and late-payment interest and then against the principal.

Bank charges incurred in the recovery process will be borne by the beneficiary, unless Directive 2015/2366¹⁷ applies.

¹⁷ Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment

For grants where the granting authority is an EU executive agency, enforced recovery by offsetting or enforceable decision will be done by the services of the European Commission (see also Article 43).

22.5 Consequences of non-compliance

22.5.1 If the granting authority does not pay within the payment deadlines (see above), the beneficiaries are entitled to **late-payment interest** at the rate applied by the European Central Bank (ECB) for its main refinancing operations in euros ('reference rate'), plus the rate specified in the Data Sheet (Point 4.2). The reference rate is the rate in force on the first day of the month in which the payment deadline expires, as published in the C series of the *Official Journal of the European Union*.

If the late-payment interest is lower than or equal to EUR 200, it will be paid to the coordinator only on request submitted within two months of receiving the late payment.

Late-payment interest is not due if all beneficiaries are EU Member States (including regional and local government authorities or other public bodies acting on behalf of a Member State for the purpose of this Agreement).

If payments or the payment deadline are suspended (see Articles 29 and 30), payment will not be considered as late.

Late-payment interest covers the period running from the day following the due date for payment (see above), up to and including the date of payment.

Late-payment interest is not considered for the purposes of calculating the final grant amount.

22.5.2 If the coordinator breaches any of its obligations under this Article, the grant may be reduced (see Article 28) and the grant or the coordinator may be terminated (see Article 32).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 23 — GUARANTEES

23.1 Prefinancing guarantee

If required by the granting authority (see Data Sheet, Point 4.2), the beneficiaries must provide (one or more) prefinancing guarantee(s) in accordance with the timing and the amounts set out in the Data Sheet.

The coordinator must submit them to the granting authority in due time before the prefinancing they are linked to.

The guarantees must be drawn up using the template published on the Portal and fulfil the following conditions:

- (a) be provided by a bank or approved financial institution established in the EU or — if requested by the coordinator and accepted by the granting authority — by a third party or a bank or financial institution established outside the EU offering equivalent security

services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (OJ L 337, 23.12.2015, p. 35).

- (b) the guarantor stands as first-call guarantor and does not require the granting authority to first have recourse against the principal debtor (i.e. the beneficiary concerned) and
- (c) remain explicitly in force until the final payment and, if the final payment takes the form of a recovery, until five months after the debit note is notified to a beneficiary.

They will be released within the following month.

23.2 Consequences of non-compliance

If the beneficiaries breach their obligation to provide the prefinancing guarantee, the prefinancing will not be paid.

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 24 — CERTIFICATES

24.1 Operational verification report (OVR)

Not applicable

24.2 Certificate on the financial statements (CFS)

If required by the granting authority (see Data Sheet, Point 4.3), the beneficiaries must provide certificates on their financial statements (CFS), in accordance with the schedule, threshold and conditions set out in the Data Sheet.

The coordinator must submit them as part of the periodic report (see Article 21).

The certificates must be drawn up using the template published on the Portal, cover the costs declared on the basis of actual costs and costs according to usual cost accounting practices (if any), and fulfil the following conditions:

- (a) be provided by a qualified approved external auditor which is independent and complies with Directive 2006/43/EC¹⁸ (or for public bodies: by a competent independent public officer)
- (b) the verification must be carried out according to the highest professional standards to ensure that the financial statements comply with the provisions under the Agreement and that the costs declared are eligible.

The certificates will not affect the granting authority's right to carry out its own checks, reviews or audits, nor preclude the European Court of Auditors (ECA), the European Public Prosecutor's Office (EPPO) or the European Anti-Fraud Office (OLAF) from using their prerogatives for audits and investigations under the Agreement (see Article 25).

If the costs (or a part of them) were already audited by the granting authority, these costs do not need to be covered by the certificate and will not be counted for calculating the threshold (if any).

24.3 Certificate on the compliance of usual cost accounting practices (CoMUC)

¹⁸ Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts or similar national regulations (OJ L 157, 9.6.2006, p. 87).

Beneficiaries which use unit, flat rate or lump sum costs or contributions according to usual costs accounting practices (if any) may submit to the granting authority, for approval, a certificate on the methodology stating that their usual cost accounting practices comply with the eligibility conditions under the Agreement.

The certificate must be drawn up using the template published on the Portal and fulfil the following conditions:

- (a) be provided by a qualified approved external auditor which is independent and complies with Directive 2006/43/EC¹⁹ (or for public bodies: by a competent independent public officer)
- (b) the verification must be carried out according to the highest professional standards to ensure that the methodology for declaring costs according to usual accounting practices complies with the provisions under the Agreement.

If the certificate is approved, amounts declared in line with this methodology will not be challenged subsequently, unless the beneficiary concealed information for the purpose of the approval.

24.4 Systems and process audit (SPA)

Not applicable

24.5 Consequences of non-compliance

If a beneficiary does not submit a certificate on the financial statements (CFS) or the certificate is rejected, the accepted EU contribution to costs will be capped to reflect the CFS threshold.

If a beneficiary breaches any of its other obligations under this Article, the granting authority may apply the measures described in Chapter 5.

ARTICLE 25 — CHECKS, REVIEWS, AUDITS AND INVESTIGATIONS — EXTENSION OF FINDINGS

25.1 Granting authority checks, reviews and audits

25.1.1 Internal checks

The granting authority may — during the action or afterwards — check the proper implementation of the action and compliance with the obligations under the Agreement, including assessing costs and contributions, deliverables and reports.

25.1.2 Project reviews

The granting authority may carry out reviews on the proper implementation of the action and compliance with the obligations under the Agreement (general project reviews or specific issues reviews).

Such project reviews may be started during the implementation of the action and until the time-limit

¹⁹ Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts or similar national regulations (OJ L 157, 9.6.2006, p. 87).

set out in the Data Sheet (see Point 6). They will be formally notified to the coordinator or beneficiary concerned and will be considered to start on the date of the notification.

If needed, the granting authority may be assisted by independent, outside experts. If it uses outside experts, the coordinator or beneficiary concerned will be informed and have the right to object on grounds of commercial confidentiality or conflict of interest.

The coordinator or beneficiary concerned must cooperate diligently and provide — within the deadline requested — any information and data in addition to deliverables and reports already submitted (including information on the use of resources). The granting authority may request beneficiaries to provide such information to it directly. Sensitive information and documents will be treated in accordance with Article 13.

The coordinator or beneficiary concerned may be requested to participate in meetings, including with the outside experts.

For **on-the-spot visits**, the beneficiary concerned must allow access to sites and premises (including to the outside experts) and must ensure that information requested is readily available.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

On the basis of the review findings, a **project review report** will be drawn up.

The granting authority will formally notify the project review report to the coordinator or beneficiary concerned, which has 30 days from receiving notification to make observations.

Project reviews (including project review reports) will be in the language of the Agreement.

25.1.3 Audits

The granting authority may carry out audits on the proper implementation of the action and compliance with the obligations under the Agreement.

Such audits may be started during the implementation of the action and until the time-limit set out in the Data Sheet (see Point 6). They will be formally notified to the beneficiary concerned and will be considered to start on the date of the notification.

The granting authority may use its own audit service, delegate audits to a centralised service or use external audit firms. If it uses an external firm, the beneficiary concerned will be informed and have the right to object on grounds of commercial confidentiality or conflict of interest.

The beneficiary concerned must cooperate diligently and provide — within the deadline requested — any information (including complete accounts, individual salary statements or other personal data) to verify compliance with the Agreement. Sensitive information and documents will be treated in accordance with Article 13.

For **on-the-spot** visits, the beneficiary concerned must allow access to sites and premises (including for the external audit firm) and must ensure that information requested is readily available.

Information provided must be accurate, precise and complete and in the format requested, including electronic format.

On the basis of the audit findings, a **draft audit report** will be drawn up.

The auditors will formally notify the draft audit report to the beneficiary concerned, which has 30 days from receiving notification to make observations (contradictory audit procedure).

The **final audit report** will take into account observations by the beneficiary concerned and will be formally notified to them.

Audits (including audit reports) will be in the language of the Agreement.

25.2 European Commission checks, reviews and audits in grants of other granting authorities

Where the granting authority is not the European Commission, the latter has the same rights of checks, reviews and audits as the granting authority.

25.3 Access to records for assessing simplified forms of funding

The beneficiaries must give the European Commission access to their statutory records for the periodic assessment of simplified forms of funding which are used in EU programmes.

25.4 OLAF, EPPO and ECA audits and investigations

The following bodies may also carry out checks, reviews, audits and investigations — during the action or afterwards:

- the European Anti-Fraud Office (OLAF) under Regulations No 883/2013²⁰ and No 2185/96²¹
- the European Public Prosecutor's Office (EPPO) under Regulation 2017/1939
- the European Court of Auditors (ECA) under Article 287 of the Treaty on the Functioning of the EU (TFEU) and Article 257 of EU Financial Regulation 2018/1046.

If requested by these bodies, the beneficiary concerned must provide full, accurate and complete information in the format requested (including complete accounts, individual salary statements or other personal data, including in electronic format) and allow access to sites and premises for on-the-spot visits or inspections — as provided for under these Regulations.

To this end, the beneficiary concerned must keep all relevant information relating to the action, at least until the time-limit set out in the Data Sheet (Point 6) and, in any case, until any ongoing checks, reviews, audits, investigations, litigation or other pursuits of claims have been concluded.

25.5 Consequences of checks, reviews, audits and investigations — Extension of results of reviews, audits or investigations

²⁰ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18/09/2013, p. 1).

²¹ Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15/11/1996, p. 2).

25.5.1 Consequences of checks, reviews, audits and investigations in this grant

Findings in checks, reviews, audits or investigations carried out in the context of this grant may lead to rejections (see Article 27), grant reduction (see Article 28) or other measures described in Chapter 5.

Rejections or grant reductions after the final payment will lead to a revised final grant amount (see Article 22).

Findings in checks, reviews, audits or investigations during the action implementation may lead to a request for amendment (see Article 39), to change the description of the action set out in Annex 1.

Checks, reviews, audits or investigations that find systemic or recurrent errors, irregularities, fraud or breach of obligations in any EU grant may also lead to consequences in other EU grants awarded under similar conditions ('extension to other grants').

Moreover, findings arising from an OLAF or EPPO investigation may lead to criminal prosecution under national law.

25.5.2 Extension from other grants

Results of checks, reviews, audits or investigations in other grants may be extended to this grant, if:

- (a) the beneficiary concerned is found, in other EU grants awarded under similar conditions, to have committed systemic or recurrent errors, irregularities, fraud or breach of obligations that have a material impact on this grant and
- (b) those findings are formally notified to the beneficiary concerned — together with the list of grants affected by the findings — within the time-limit for audits set out in the Data Sheet (see Point 6).

The granting authority will formally notify the beneficiary concerned of the intention to extend the findings and the list of grants affected.

If the extension concerns **rejections of costs or contributions**: the notification will include:

- (a) an invitation to submit observations on the list of grants affected by the findings
- (b) the request to submit revised financial statements for all grants affected
- (c) the correction rate for extrapolation, established on the basis of the systemic or recurrent errors, to calculate the amounts to be rejected, if the beneficiary concerned:
 - (i) considers that the submission of revised financial statements is not possible or practicable or
 - (ii) does not submit revised financial statements.

If the extension concerns **grant reductions**: the notification will include:

- (a) an invitation to submit observations on the list of grants affected by the findings and
- (b) the **correction rate for extrapolation**, established on the basis of the systemic or recurrent errors and the principle of proportionality.

The beneficiary concerned has **60 days** from receiving notification to submit observations, revised financial statements or to propose a duly substantiated **alternative correction method/rate**.

On the basis of this, the granting authority will analyse the impact and decide on the implementation (i.e. start rejection or grant reduction procedures, either on the basis of the revised financial statements or the announced/alternative method/rate or a mix of those; see Articles 27 and 28).

25.6 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, costs or contributions insufficiently substantiated will be ineligible (see Article 6) and will be rejected (see Article 27), and the grant may be reduced (see Article 28).

Such breaches may also lead to other measures described in Chapter 5.

ARTICLE 26 — IMPACT EVALUATIONS

26.1 Impact evaluation

The granting authority may carry out impact evaluations of the action, measured against the objectives and indicators of the EU programme funding the grant.

Such evaluations may be started during implementation of the action and until the time-limit set out in the Data Sheet (see Point 6). They will be formally notified to the coordinator or beneficiaries and will be considered to start on the date of the notification.

If needed, the granting authority may be assisted by independent outside experts.

The coordinator or beneficiaries must provide any information relevant to evaluate the impact of the action, including information in electronic format.

26.2 Consequences of non-compliance

If a beneficiary breaches any of its obligations under this Article, the granting authority may apply the measures described in Chapter 5.

CHAPTER 5 CONSEQUENCES OF NON-COMPLIANCE

SECTION 1 REJECTIONS AND GRANT REDUCTION

ARTICLE 27 — REJECTION OF COSTS AND CONTRIBUTIONS

27.1 Conditions

The granting authority will — at beneficiary termination, interim payment, final payment or afterwards — reject any costs or contributions which are ineligible (see Article 6), in particular following checks, reviews, audits or investigations (see Article 25).

The rejection may also be based on the extension of findings from other grants to this grant (see Article 25).

Ineligible costs or contributions will be rejected.

27.2 Procedure

If the rejection does not lead to a recovery, the granting authority will formally notify the coordinator or beneficiary concerned of the rejection, the amounts and the reasons why. The coordinator or beneficiary concerned may — within 30 days of receiving notification — submit observations if it disagrees with the rejection (payment review procedure).

If the rejection leads to a recovery, the granting authority will follow the contradictory procedure with pre-information letter set out in Article 22.

27.3 Effects

If the granting authority rejects costs or contributions, it will deduct them from the costs or contributions declared and then calculate the amount due (and, if needed, make a recovery; see Article 22).

ARTICLE 28 — GRANT REDUCTION

28.1 Conditions

The granting authority may — at beneficiary termination, final payment or afterwards — reduce the grant for a beneficiary, if:

- (a) the beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed:
 - (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.), or
- (b) the beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (see Article 25).

The amount of the reduction will be calculated for each beneficiary concerned and proportionate to the seriousness and the duration of the errors, irregularities or fraud or breach of obligations, by applying an individual reduction rate to their accepted EU contribution.

28.2 Procedure

If the grant reduction does not lead to a recovery, the granting authority will formally notify the coordinator or beneficiary concerned of the reduction, the amount to be reduced and the reasons why.

The coordinator or beneficiary concerned may — within 30 days of receiving notification — submit observations if it disagrees with the reduction (payment review procedure).

If the grant reduction leads to a recovery, the granting authority will follow the contradictory procedure with pre-information letter set out in Article 22.

28.3 Effects

If the granting authority reduces the grant, it will deduct the reduction and then calculate the amount due (and, if needed, make a recovery; see Article 22).

SECTION 2 SUSPENSION AND TERMINATION

ARTICLE 29 — PAYMENT DEADLINE SUSPENSION

29.1 Conditions

The granting authority may — at any moment — suspend the payment deadline if a payment cannot be processed because:

- (a) the required report (see Article 21) has not been submitted or is not complete or additional information is needed
- (b) there are doubts about the amount to be paid (e.g. ongoing audit extension procedure, queries about eligibility, need for a grant reduction, etc.) and additional checks, reviews, audits or investigations are necessary, or
- (c) there are other issues affecting the EU financial interests.

29.2 Procedure

The granting authority will formally notify the coordinator of the suspension and the reasons why.

The suspension will **take effect** the day the notification is sent.

If the conditions for suspending the payment deadline are no longer met, the suspension will be **lifted** — and the remaining time to pay (see Data Sheet, Point 4.2) will resume.

If the suspension exceeds two months, the coordinator may request the granting authority to confirm if the suspension will continue.

If the payment deadline has been suspended due to the non-compliance of the report and the revised report is not submitted (or was submitted but is also rejected), the granting authority may also terminate the grant or the participation of the coordinator (see Article 32).

ARTICLE 30 — PAYMENT SUSPENSION

30.1 Conditions

The granting authority may — at any moment — suspend payments, in whole or in part for one or more beneficiaries, if:

- (a) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed or is suspected of having committed:
- (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.), or
- (b) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant.

If payments are suspended for one or more beneficiaries, the granting authority will make partial payment(s) for the part(s) not suspended. If suspension concerns the final payment, the payment (or recovery) of the remaining amount after suspension is lifted will be considered to be the payment that closes the action.

30.2 Procedure

Before suspending payments, the granting authority will send a **pre-information letter** to the beneficiary concerned:

- formally notifying the intention to suspend payments and the reasons why and
- requesting observations within 30 days of receiving notification.

If the granting authority does not receive observations or decides to pursue the procedure despite the observations it has received, it will confirm the suspension (**confirmation letter**). Otherwise, it will formally notify that the procedure is discontinued.

At the end of the suspension procedure, the granting authority will also inform the coordinator.

The suspension will **take effect** the day after the confirmation notification is sent.

If the conditions for resuming payments are met, the suspension will be **lifted**. The granting authority will formally notify the beneficiary concerned (and the coordinator) and set the suspension end date.

During the suspension, no prefinancing will be paid to the beneficiaries concerned. For interim payments, the periodic reports for all reporting periods except the last one (see Article 21) must not contain any financial statements from the beneficiary concerned (or its affiliated entities). The coordinator must include them in the next periodic report after the suspension is lifted or — if suspension is not lifted before the end of the action — in the last periodic report.

ARTICLE 31 — GRANT AGREEMENT SUSPENSION

31.1 Consortium-requested GA suspension

31.1.1 Conditions and procedure

The beneficiaries may request the suspension of the grant or any part of it, if exceptional circumstances — in particular *force majeure* (see Article 35) — make implementation impossible or excessively difficult.

The coordinator must submit a request for **amendment** (see Article 39), with:

- the reasons why
- the date the suspension takes effect; this date may be before the date of the submission of the amendment request and
- the expected date of resumption.

The suspension will **take effect** on the day specified in the amendment.

Once circumstances allow for implementation to resume, the coordinator must immediately request another **amendment** of the Agreement to set the suspension end date, the resumption date (one day after suspension end date), extend the duration and make other changes necessary to adapt the action to the new situation (see Article 39) — unless the grant has been terminated (see Article 32). The suspension will be **lifted** with effect from the suspension end date set out in the amendment. This date may be before the date of the submission of the amendment request.

During the suspension, no prefinancing will be paid. Costs incurred or contributions for activities implemented during grant suspension are not eligible (see Article 6.3).

31.2 EU-initiated GA suspension

31.2.1 Conditions

The granting authority may suspend the grant or any part of it, if:

- (a) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed or is suspected of having committed:
 - (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.), or
- (b) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant
- (c) other:
 - (i) linked action issues: not applicable
 - (ii) additional GA suspension grounds: not applicable.

31.2.2 Procedure

Before suspending the grant, the granting authority will send a **pre-information letter** to the coordinator:

- formally notifying the intention to suspend the grant and the reasons why and
- requesting observations within 30 days of receiving notification.

If the granting authority does not receive observations or decides to pursue the procedure despite the observations it has received, it will confirm the suspension (**confirmation letter**). Otherwise, it will formally notify that the procedure is discontinued.

The suspension will **take effect** the day after the confirmation notification is sent (or on a later date specified in the notification).

Once the conditions for resuming implementation of the action are met, the granting authority will formally notify the coordinator a **lifting of suspension letter**, in which it will set the suspension end date and invite the coordinator to request an amendment of the Agreement to set the resumption date (one day after suspension end date), extend the duration and make other changes necessary to adapt the action to the new situation (see Article 39) — unless the grant has been terminated (see Article 32). The suspension will be **lifted** with effect from the suspension end date set out in the lifting of suspension letter. This date may be before the date on which the letter is sent.

During the suspension, no prefinancing will be paid. Costs incurred or contributions for activities implemented during suspension are not eligible (see Article 6.3).

The beneficiaries may not claim damages due to suspension by the granting authority (see Article 33).

Grant suspension does not affect the granting authority's right to terminate the grant or a beneficiary (see Article 32) or reduce the grant (see Article 28).

ARTICLE 32 — GRANT AGREEMENT OR BENEFICIARY TERMINATION

32.1 Consortium-requested GA termination

32.1.1 Conditions and procedure

The beneficiaries may request the termination of the grant.

The coordinator must submit a request for **amendment** (see Article 39), with:

- the reasons why
- the date the consortium ends work on the action ('end of work date') and
- the date the termination takes effect ('termination date'); this date must be after the date of the submission of the amendment request.

The termination will **take effect** on the termination date specified in the amendment.

If no reasons are given or if the granting authority considers the reasons do not justify termination, it may consider the grant terminated improperly.

32.1.2 Effects

The coordinator must — within 60 days from when termination takes effect — submit a **periodic report** (for the open reporting period until termination).

The granting authority will calculate the final grant amount and final payment on the basis of the report submitted and taking into account the costs incurred and contributions for activities implemented before the end of work date (see Article 22). Costs relating to contracts due for execution only after the end of work are not eligible.

If the granting authority does not receive the report within the deadline, only costs and contributions which are included in an approved periodic report will be taken into account (no costs/contributions if no periodic report was ever approved).

Improper termination may lead to a grant reduction (see Article 28).

After termination, the beneficiaries' obligations (in particular Articles 13 (confidentiality and security), 16 (IPR), 17 (communication, dissemination and visibility), 21 (reporting), 25 (checks, reviews, audits and investigations), 26 (impact evaluation), 27 (rejections), 28 (grant reduction) and 42 (assignment of claims)) continue to apply.

32.2 Consortium-requested beneficiary termination

32.2.1 Conditions and procedure

The coordinator may request the termination of the participation of one or more beneficiaries, on request of the beneficiary concerned or on behalf of the other beneficiaries.

The coordinator must submit a request for **amendment** (see Article 39), with:

- the reasons why
- the opinion of the beneficiary concerned (or proof that this opinion has been requested in writing)
- the date the beneficiary ends work on the action ('end of work date')
- the date the termination takes effect ('termination date'); this date must be after the date of the submission of the amendment request.

If the termination concerns the coordinator and is done without its agreement, the amendment request must be submitted by another beneficiary (acting on behalf of the consortium).

The termination will **take effect** on the termination date specified in the amendment.

If no information is given or if the granting authority considers that the reasons do not justify termination, it may consider the beneficiary to have been terminated improperly.

32.2.2 Effects

The coordinator must — within 60 days from when termination takes effect — submit:

- (i) a **report on the distribution of payments** to the beneficiary concerned

- (ii) a **termination report** from the beneficiary concerned, for the open reporting period until termination, containing an overview of the progress of the work, the financial statement, the explanation on the use of resources, and, if applicable, the certificate on the financial statement (CFS; see Articles 21 and 24.2 and Data Sheet, Point 4.3)
- (iii) a second **request for amendment** (see Article 39) with other amendments needed (e.g. reallocation of the tasks and the estimated budget of the terminated beneficiary; addition of a new beneficiary to replace the terminated beneficiary; change of coordinator, etc.).

The granting authority will calculate the amount due to the beneficiary on the basis of the report submitted and taking into account the costs incurred and contributions for activities implemented before the end of work date (see Article 22). Costs relating to contracts due for execution only after the end of work are not eligible.

The information in the termination report must also be included in the periodic report for the next reporting period (see Article 21).

If the granting authority does not receive the termination report within the deadline, only costs and contributions which are included in an approved periodic report will be taken into account (no costs/contributions if no periodic report was ever approved).

If the granting authority does not receive the report on the distribution of payments within the deadline, it will consider that:

- the coordinator did not distribute any payment to the beneficiary concerned and that
- the beneficiary concerned must not repay any amount to the coordinator.

If the second request for amendment is accepted by the granting authority, the Agreement is **amended** to introduce the necessary changes (see Article 39).

If the second request for amendment is rejected by the granting authority (because it calls into question the decision awarding the grant or breaches the principle of equal treatment of applicants), the grant may be terminated (see Article 32).

Improper termination may lead to a reduction of the grant (see Article 31) or grant termination (see Article 32).

After termination, the concerned beneficiary's obligations (in particular Articles 13 (confidentiality and security), 16 (IPR), 17 (communication, dissemination and visibility), 21 (reporting), 25 (checks, reviews, audits and investigations), 26 (impact evaluation), 27 (rejections), 28 (grant reduction) and 42 (assignment of claims)) continue to apply.

32.3 EU-initiated GA or beneficiary termination

32.3.1 Conditions

The granting authority may terminate the grant or the participation of one or more beneficiaries, if:

- (a) one or more beneficiaries do not accede to the Agreement (see Article 40)
- (b) a change to the action or the legal, financial, technical, organisational or ownership situation

of a beneficiary is likely to substantially affect the implementation of the action or calls into question the decision to award the grant (including changes linked to one of the exclusion grounds listed in the declaration of honour)

- (c) following termination of one or more beneficiaries, the necessary changes to the Agreement (and their impact on the action) would call into question the decision awarding the grant or breach the principle of equal treatment of applicants
- (d) implementation of the action has become impossible or the changes necessary for its continuation would call into question the decision awarding the grant or breach the principle of equal treatment of applicants
- (e) a beneficiary (or person with unlimited liability for its debts) is subject to bankruptcy proceedings or similar (including insolvency, winding-up, administration by a liquidator or court, arrangement with creditors, suspension of business activities, etc.)
- (f) a beneficiary (or person with unlimited liability for its debts) is in breach of social security or tax obligations
- (g) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has been found guilty of grave professional misconduct
- (h) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed fraud, corruption, or is involved in a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking
- (i) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) was created under a different jurisdiction with the intent to circumvent fiscal, social or other legal obligations in the country of origin (or created another entity with this purpose)
- (j) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed:
 - (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.)
- (k) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings from other grants to this grant; see Article 25)
- (l) despite a specific request by the granting authority, a beneficiary does not request — through the coordinator — an amendment to the Agreement to end the participation of one of its

affiliated entities or associated partners that is in one of the situations under points (d), (f), (e), (g), (h), (i) or (j) and to reallocate its tasks, or

(m) other:

- (i) linked action issues: not applicable
- (ii) additional GA termination grounds: not applicable.

32.3.2 Procedure

Before terminating the grant or participation of one or more beneficiaries, the granting authority will send a **pre-information letter** to the coordinator or beneficiary concerned:

- formally notifying the intention to terminate and the reasons why and
- requesting observations within 30 days of receiving notification.

If the granting authority does not receive observations or decides to pursue the procedure despite the observations it has received, it will confirm the termination and the date it will take effect (**confirmation letter**). Otherwise, it will formally notify that the procedure is discontinued.

For beneficiary terminations, the granting authority will — at the end of the procedure — also inform the coordinator.

The termination will **take effect** the day after the confirmation notification is sent (or on a later date specified in the notification; ‘termination date’).

32.3.3 Effects

(a) for **GA termination**:

The coordinator must — within 60 days from when termination takes effect — submit a **periodic report** (for the last open reporting period until termination).

The granting authority will calculate the final grant amount and final payment on the basis of the report submitted and taking into account the costs incurred and contributions for activities implemented before termination takes effect (see Article 22). Costs relating to contracts due for execution only after termination are not eligible.

If the grant is terminated for breach of the obligation to submit reports, the coordinator may not submit any report after termination.

If the granting authority does not receive the report within the deadline, only costs and contributions which are included in an approved periodic report will be taken into account (no costs/contributions if no periodic report was ever approved).

Termination does not affect the granting authority’s right to reduce the grant (see Article 28) or to impose administrative sanctions (see Article 34).

The beneficiaries may not claim damages due to termination by the granting authority (see Article 33).

After termination, the beneficiaries' obligations (in particular Articles 13 (confidentiality and security), 16 (IPR), 17 (communication, dissemination and visibility), 21 (reporting), 25 (checks, reviews, audits and investigations), 26 (impact evaluation), 27 (rejections), 28 (grant reduction) and 42 (assignment of claims)) continue to apply.

(b) for **beneficiary termination**:

The coordinator must — within 60 days from when termination takes effect — submit:

- (i) a **report on the distribution of payments** to the beneficiary concerned
- (ii) a **termination report** from the beneficiary concerned, for the open reporting period until termination, containing an overview of the progress of the work, the financial statement, the explanation on the use of resources, and, if applicable, the certificate on the financial statement (CFS; see Articles 21 and 24.2 and Data Sheet, Point 4.3)
- (iii) a **request for amendment** (see Article 39) with any amendments needed (e.g. reallocation of the tasks and the estimated budget of the terminated beneficiary; addition of a new beneficiary to replace the terminated beneficiary; change of coordinator, etc.).

The granting authority will calculate the amount due to the beneficiary on the basis of the report submitted and taking into account the costs incurred and contributions for activities implemented before termination takes effect (see Article 22). Costs relating to contracts due for execution only after termination are not eligible.

The information in the termination report must also be included in the periodic report for the next reporting period (see Article 21).

If the granting authority does not receive the termination report within the deadline, only costs and contributions included in an approved periodic report will be taken into account (no costs/contributions if no periodic report was ever approved).

If the granting authority does not receive the report on the distribution of payments within the deadline, it will consider that:

- the coordinator did not distribute any payment to the beneficiary concerned and that
- the beneficiary concerned must not repay any amount to the coordinator.

If the request for amendment is accepted by the granting authority, the Agreement is **amended** to introduce the necessary changes (see Article 39).

If the request for amendment is rejected by the granting authority (because it calls into question the decision awarding the grant or breaches the principle of equal treatment of applicants), the grant may be terminated (see Article 32).

After termination, the concerned beneficiary's obligations (in particular Articles 13 (confidentiality and security), 16 (IPR), 17 (communication, dissemination and visibility), 21 (reporting), 25 (checks, reviews, audits and investigations), 26 (impact evaluation), 27 (rejections), 28 (grant reduction) and 42 (assignment of claims)) continue to apply.

SECTION 3 OTHER CONSEQUENCES: DAMAGES AND ADMINISTRATIVE SANCTIONS

ARTICLE 33 — DAMAGES

33.1 Liability of the granting authority

The granting authority cannot be held liable for any damage caused to the beneficiaries or to third parties as a consequence of the implementation of the Agreement, including for gross negligence.

The granting authority cannot be held liable for any damage caused by any of the beneficiaries or other participants involved in the action, as a consequence of the implementation of the Agreement.

33.2 Liability of the beneficiaries

The beneficiaries must compensate the granting authority for any damage it sustains as a result of the implementation of the action or because the action was not implemented in full compliance with the Agreement, provided that it was caused by gross negligence or wilful act.

The liability does not extend to indirect or consequential losses or similar damage (such as loss of profit, loss of revenue or loss of contracts), provided such damage was not caused by wilful act or by a breach of confidentiality.

ARTICLE 34 — ADMINISTRATIVE SANCTIONS AND OTHER MEASURES

Nothing in this Agreement may be construed as preventing the adoption of administrative sanctions (i.e. exclusion from EU award procedures and/or financial penalties) or other public law measures, in addition or as an alternative to the contractual measures provided under this Agreement (see, for instance, Articles 135 to 145 EU Financial Regulation 2018/1046 and Articles 4 and 7 of Regulation 2988/95²²).

SECTION 4 FORCE MAJEURE

ARTICLE 35 — FORCE MAJEURE

A party prevented by force majeure from fulfilling its obligations under the Agreement cannot be considered in breach of them.

‘Force majeure’ means any situation or event that:

- prevents either party from fulfilling their obligations under the Agreement,
- was unforeseeable, exceptional situation and beyond the parties’ control,
- was not due to error or negligence on their part (or on the part of other participants involved in the action), and
- proves to be inevitable in spite of exercising all due diligence.

²² Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ L 312, 23.12.1995, p. 1).

Any situation constituting force majeure must be formally notified to the other party without delay, stating the nature, likely duration and foreseeable effects.

The parties must immediately take all the necessary steps to limit any damage due to force majeure and do their best to resume implementation of the action as soon as possible.

CHAPTER 6 FINAL PROVISIONS

ARTICLE 36 — COMMUNICATION BETWEEN THE PARTIES

36.1 Forms and means of communication — Electronic management

EU grants are managed fully electronically through the EU Funding & Tenders Portal ('Portal').

All communications must be made electronically through the Portal, in accordance with the Portal Terms and Conditions and using the forms and templates provided there (except if explicitly instructed otherwise by the granting authority).

Communications must be made in writing and clearly identify the grant agreement (project number and acronym).

Communications must be made by persons authorised according to the Portal Terms and Conditions. For naming the authorised persons, each beneficiary must have designated — before the signature of this Agreement — a 'legal entity appointed representative (LEAR)'. The role and tasks of the LEAR are stipulated in their appointment letter (see Portal Terms and Conditions).

If the electronic exchange system is temporarily unavailable, instructions will be given on the Portal.

36.2 Date of communication

The sending date for communications made through the Portal will be the date and time of sending, as indicated by the time logs.

The receiving date for communications made through the Portal will be the date and time the communication is accessed, as indicated by the time logs. Formal notifications that have not been accessed within 10 days after sending, will be considered to have been accessed (see Portal Terms and Conditions).

If a communication is exceptionally made on paper (by e-mail or postal service), general principles apply (i.e. date of sending/receipt). Formal notifications by registered post with proof of delivery will be considered to have been received either on the delivery date registered by the postal service or the deadline for collection at the post office.

If the electronic exchange system is temporarily unavailable, the sending party cannot be considered in breach of its obligation to send a communication within a specified deadline.

36.3 Addresses for communication

The Portal can be accessed via the Europa website.

The address for paper communications to the granting authority (if exceptionally allowed) is the official mailing address indicated on its website.

For beneficiaries, it is the legal address specified in the Portal Participant Register.

ARTICLE 37 — INTERPRETATION OF THE AGREEMENT

The provisions in the Data Sheet take precedence over the rest of the Terms and Conditions of the Agreement.

Annex 5 takes precedence over the Terms and Conditions; the Terms and Conditions take precedence over the Annexes other than Annex 5.

Annex 2 takes precedence over Annex 1.

ARTICLE 38 — CALCULATION OF PERIODS AND DEADLINES

In accordance with Regulation No 1182/71²³, periods expressed in days, months or years are calculated from the moment the triggering event occurs.

The day during which that event occurs is not considered as falling within the period.

‘Days’ means calendar days, not working days.

ARTICLE 39 — AMENDMENTS

39.1 Conditions

The Agreement may be amended, unless the amendment entails changes to the Agreement which would call into question the decision awarding the grant or breach the principle of equal treatment of applicants.

Amendments may be requested by any of the parties.

39.2 Procedure

The party requesting an amendment must submit a request for amendment signed directly in the Portal Amendment tool.

The coordinator submits and receives requests for amendment on behalf of the beneficiaries (see Annex 3). If a change of coordinator is requested without its agreement, the submission must be done by another beneficiary (acting on behalf of the other beneficiaries).

The request for amendment must include:

- the reasons why
- the appropriate supporting documents and

²³ Regulation (EEC, Euratom) No 1182/71 of the Council of 3 June 1971 determining the rules applicable to periods, dates and time-limits (OJ L 124, 8/6/1971, p. 1).

- for a change of coordinator without its agreement: the opinion of the coordinator (or proof that this opinion has been requested in writing).

The granting authority may request additional information.

If the party receiving the request agrees, it must sign the amendment in the tool within 45 days of receiving notification (or any additional information the granting authority has requested). If it does not agree, it must formally notify its disagreement within the same deadline. The deadline may be extended, if necessary for the assessment of the request. If no notification is received within the deadline, the request is considered to have been rejected.

An amendment **enters into force** on the day of the signature of the receiving party.

An amendment **takes effect** on the date of entry into force or other date specified in the amendment.

ARTICLE 40 — ACCESSION AND ADDITION OF NEW BENEFICIARIES

40.1 Accession of the beneficiaries mentioned in the Preamble

The beneficiaries which are not coordinator must accede to the grant by signing the accession form (see Annex 3) directly in the Portal Grant Preparation tool, within 30 days after the entry into force of the Agreement (see Article 44).

They will assume the rights and obligations under the Agreement with effect from the date of its entry into force (see Article 44).

If a beneficiary does not accede to the grant within the above deadline, the coordinator must — within 30 days — request an amendment (see Article 39) to terminate the beneficiary and make any changes necessary to ensure proper implementation of the action. This does not affect the granting authority's right to terminate the grant (see Article 32).

40.2 Addition of new beneficiaries

In justified cases, the beneficiaries may request the addition of a new beneficiary.

For this purpose, the coordinator must submit a request for amendment in accordance with Article 39. It must include an accession form (see Annex 3) signed by the new beneficiary directly in the Portal Amendment tool.

New beneficiaries will assume the rights and obligations under the Agreement with effect from the date of their accession specified in the accession form (see Annex 3).

Additions are also possible in mono-beneficiary grants.

ARTICLE 41 — TRANSFER OF THE AGREEMENT

In justified cases, the beneficiary of a mono-beneficiary grant may request the transfer of the grant to a new beneficiary, provided that this would not call into question the decision awarding the grant or breach the principle of equal treatment of applicants.

The beneficiary must submit a request for **amendment** (see Article 39), with

- the reasons why
- the accession form (see Annex 3) signed by the new beneficiary directly in the Portal Amendment tool and
- additional supporting documents (if required by the granting authority).

The new beneficiary will assume the rights and obligations under the Agreement with effect from the date of accession specified in the accession form (see Annex 3).

ARTICLE 42 — ASSIGNMENTS OF CLAIMS FOR PAYMENT AGAINST THE GRANTING AUTHORITY

The beneficiaries may not assign any of their claims for payment against the granting authority to any third party, except if expressly approved in writing by the granting authority on the basis of a reasoned, written request by the coordinator (on behalf of the beneficiary concerned).

If the granting authority has not accepted the assignment or if the terms of it are not observed, the assignment will have no effect on it.

In no circumstances will an assignment release the beneficiaries from their obligations towards the granting authority.

ARTICLE 43 — APPLICABLE LAW AND SETTLEMENT OF DISPUTES

43.1 Applicable law

The Agreement is governed by the applicable EU law, supplemented if necessary by the law of Belgium.

Special rules may apply for beneficiaries which are international organisations (if any; see Data Sheet, Point 5).

43.2 Dispute settlement

If a dispute concerns the interpretation, application or validity of the Agreement, the parties must bring action before the EU General Court — or, on appeal, the EU Court of Justice — under Article 272 of the Treaty on the Functioning of the EU (TFEU).

For non-EU beneficiaries (if any), such disputes must be brought before the courts of Brussels, Belgium — unless an international agreement provides for the enforceability of EU court judgements.

For beneficiaries with arbitration as special dispute settlement forum (if any; see Data Sheet, Point 5), the dispute will — in the absence of an amicable settlement — be settled in accordance with the Rules for Arbitration published on the Portal.

If a dispute concerns administrative sanctions, offsetting or an enforceable decision under Article 299 TFEU (see Articles 22 and 34), the beneficiaries must bring action before the General Court — or, on appeal, the Court of Justice — under Article 263 TFEU.

For grants where the granting authority is an EU executive agency (see Preamble), actions against

offsetting and enforceable decisions must be brought against the European Commission (not against the granting authority; see also Article 22).

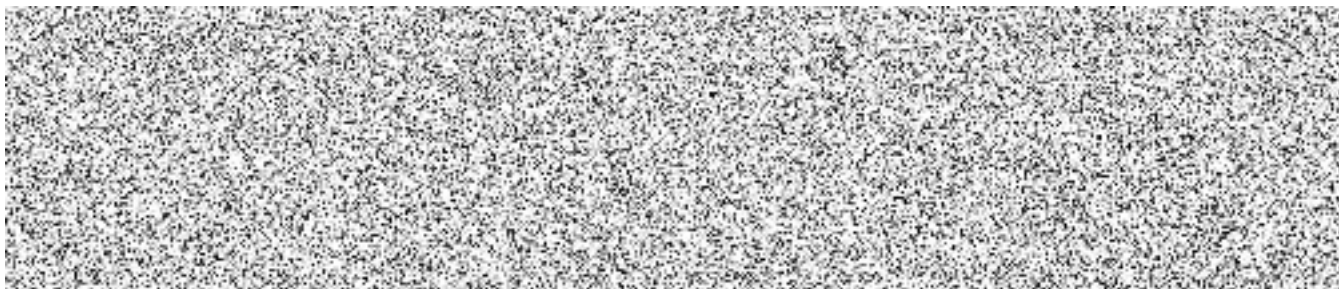
ARTICLE 44 — ENTRY INTO FORCE

The Agreement will enter into force on the day of signature by the granting authority or the coordinator, depending on which is later.

SIGNATURES

For the coordinator

For the granting authority





ANNEX 1



Digital Europe Programme (DIGITAL)

Description of the action (DoA)

Part A

Part B

DESCRIPTION OF THE ACTION (PART A)

COVER PAGE

Part A of the Description of the Action (DoA) must be completed directly on the Portal Grant Preparation screens.

PROJECT	
<i>Grant Preparation (General Information screen) — Enter the info.</i>	
Project number:	101127940
Project name:	Building Testing and Certification Capabilities in the Czech Republic
Project acronym:	TEST-CERT-CZ
Call:	DIGITAL-ECCC-2022-CYBER-03
Topic:	DIGITAL-ECCC-2022-CYBER-03-TEST-CERT-CAPABILITIES
Type of action:	DIGITAL-JU-GFS
Service:	CNECT/H/01
Project starting date:	fixed date: 1 December 2023
Project duration:	36 months

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Staff effort	8
List of deliverables	9
List of milestones (outputs/outcomes)	13
List of critical risks	13
Project reviews	15

PROJECT SUMMARY

Project summary

Grant Preparation (General Information screen) — Provide an overall description of your project (including context and overall objectives, planned activities and main achievements, and expected results and impacts (on target groups, change procedures, capacities, innovation etc)). This summary should give readers a clear idea of what your project is about.

Use the project summary from your proposal.

The objective of this project is to increase and facilitate security and interoperability of testing capabilities and certification of connected ICT systems by cascade funding provided by the NCC-CZ. This aims to improve the capabilities and cooperation of cybersecurity certification stakeholders in line with the objectives of Regulation (EU) 2019/881 (“CSA”).

LIST OF PARTICIPANTS

PARTICIPANTS

Grant Preparation (Beneficiaries screen) — Enter the info.

Number	Role	Short name	Legal name	Country	PIC
1	COO	NCISA	NARODNI URAD PRO KYBERNETICKOU A INFORMACNI BEZPECNOST - NUKIB	CZ	907198418
1.1	AE	CSH	CYBERSECURITY HUB, ZU	CZ	889292509

LIST OF WORK PACKAGES

Work packages						
<i>Grant Preparation (Work Packages screen) — Enter the info.</i>						
Work Package No	Work Package name	Lead Beneficiary	Effort (Person-Months)	Start Month	End Month	Deliverables
WP1	Project Management and Coordination	1 - NCISA	23.00	1	36	D1.1 – Project Management Handbook D1.2 – Communication and Dissemination Plan D1.3 – Internal Project Progress Report 1 D1.4 – Internal Project Progress Report 2
WP2	Financial Support to Third Parties	1 - NCISA	49.00	1	36	D2.1 – FSTP Mechanism Documentation D2.2 – Strategic Agenda D2.3 – FSTP Call Documentation D2.4 – Supported Projects and Evaluation Report D2.5 – Activity and Communication Report

Work package WP1 – Project Management and Coordination

Work Package Number	WP1	Lead Beneficiary	1. NCISA
Work Package Name	Project Management and Coordination		
Start Month	1	End Month	36

Objectives
<ul style="list-style-type: none"> ▪ Manage the project and coordinate the activities taking into account personnel, budget and time during the three-year duration of the project (financial and grant management) and monitor the progress (disbursement of funds, meeting objectives). ▪ Ensure project team and consortium partners coordination (division of work, regular meetings). ▪ Communication and reporting with the grant authority/EC.

Description
<p>The goal of this WP is to manage the project and coordinate the activities taking into account personnel, budget and time during the three-year duration of the project and monitor the progress (disbursement of funds, meeting objectives). The following tasks are envisioned:</p> <ul style="list-style-type: none"> - T1.1 Project management: Overseeing the implementation of the project and its activities (meeting objectives, deliverables) and the project budget (reimbursement of funds, expenditures) - T1.2 Project team coordination: Ensure the project team coordination (division of work and regular meetings to assess the progress of the project and address potential needs), coordination of consortium partners (GA meetings) - T1.3 EC reporting: Preparing and submitting reports on the progress of the project to the grant authority

Work package WP2 – Financial Support to Third Parties

Work Package Number	WP2	Lead Beneficiary	1. NCISA
Work Package Name	Financial Support to Third Parties		
Start Month	1	End Month	36

Objectives
<ul style="list-style-type: none"> ▪ Set up a financial support program for third parties (FSTP) with the aim of supporting the uptake and dissemination of state-of-the-art cybersecurity solutions by SMEs and other entities.

Description
<p>The objective of WP2 is to set up a financial support program for third parties (FSTP) during the project period, with the aim of supporting the uptake and dissemination of state-of-the-art cybersecurity solutions by SMEs and other entities. The following tasks are planned:</p> <ul style="list-style-type: none"> - T2.1 Setting up and adjusting the NCC-CZ FSTP mechanism – Making adjustments to the NCC-CZ FSTP mechanism if necessary. - T2.2 Preparation of the Strategic Agenda – Identification of the topics to be supported (consulting with relevant entities and taking into account the state of the art and the specific needs of the Czech Republic). - T2.3 Identification of the pool of expert evaluators – Identify the requirements for evaluators of the project proposals. - T2.4 Preparation of the open calls and calls activation – Preparation of the Call documentation and activation of the open calls. - T2.5 Dissemination of information regarding the FSTP calls and information support – Informing the relevant stakeholders about the funding opportunities and the upcoming calls, providing information support for the applicants. - T2.6 Evaluation of proposals and selection of successful proposals – Evaluation of the project proposals in cooperation with the NCC-CZ Council and expert evaluators, selection of successful projects. - T2.7 Grant agreement preparation – Prepare the grant agreements with successful applicants for support.

- T2.8 Monitoring of the supported projects, final evaluation and presentation of the project outcomes – Monitor and oversee the supported projects (objectives, progress, grant agreements conditions). Evaluate the project after its end and help disseminate the project outcomes.

The goal is to provide FSTP (preferably in the form of lump sum) to support building testing and certification capabilities in the Czech Republic. It is envisioned to launch calls to cover even the upcoming cybersecurity certification schemes, aiming at activities in line with the spirit and objectives of the proposed amendment of CSA, and to provide financial support to an even wider group of entities, including, to the degree possible and sensible, entities from other eligible European countries and consortia of eligible European entities. Therefore, more calls may be launched in the duration of the project taking into account the current situation at the national and EU level.

To further motivate the potential applicants for financial support, we plan to organize a FSTP/Certification workshop to pass on relevant information regarding the details of the upcoming calls and the application process, as well as provide information in the area of cybersecurity certification. We also plan to organize a final event where the outcomes of the supported projects will be presented. During the project implementation, there will be also other communication activities in line with the KPIs and Communication and Dissemination Strategy, for example newsletters and website updates.

The first few months are dedicated to the identification and preparation of the open calls and the set-up of the FSTP mechanism of the NCC-CZ, which is a part of the project proposal submitted in the call Deploying The Network Of National Coordination Centres With Member States. Therefore, the FSTP mechanism prepared for the functioning of the NCC-CZ will be used, with adjustments, if necessary, in this project. The timetable is set in a way that allows to launch calls and other activities during the reserved time period, it is not envisioned for the activities to be completed at the end of the reserved time in all cases.

Conditions for implementing FSTP grants:

- Max amount per third party: 100 000 EUR with 50 % co-financing by the third party
- Criterium for calculating the exact amount: inclusion of all costs (personnel, travel, equipment, other)
- Types of activity: Capacity building including for thread-based penetration testing; e.g. for the acquisition of certification testbeds; exchange of best practices and staff trainings; deploy innovative evaluation methods for specific ICT products or components; innovative evaluation methods implemented by accreditation body, support standardisation actions; Testing and certifying ICT products, ICT services or ICT process; Auditing infrastructures in term of cybersecurity resilience; Standardization actions (e.g., creation of protection profiles or adoption/improvement of standards used in certification schemes), considering activities by European and international standardisation organisations as appropriate; Cyber-security and interoperability testing capabilities on 5G disaggregated and open solutions.
- Persons/categories of persons to be supported: (future) Conformity assessment bodies; Accreditation body; SMEs (manufacturers/providers, ICT equipment users).
- Criteria and procedures for giving support: Relevance to EU and national cyber-security policy; Outcomes and deliverables; Strengthen conformity assessment bodies and accreditation body; Improve the cybersecurity and interoperability testing capabilities, including in the area of 5G disaggregated and open solutions and trusted chips; Support SMEs to audit their infrastructure in view of improving their cybersecurity protection; Support actions in the area of standardisation.
- KPIs to measure outcomes and deliverables: Number of supported certification testbeds set up and innovative evaluation/assessment methods deployed for specific ICT products or components implemented by conformity assessment bodies or accreditation body; Additional certification and testing services provided by a beneficiary as a result of the activities; Standardisation actions with European and international standardisation organisations that were supported, e.g. number or novelty of standards and specifications published in reference to evaluation tools and methods utilised by a beneficiary; Knowledge and capacity building activities e.g., exchange of best practices, staff trainings; Increase in the number or expansion of scope of ICT products, services or processes of SMEs that received support for their testing and certification; ICT equipment's audits in terms of cybersecurity resilience by SMEs which were supported; Cybersecurity and interoperability testing capabilities supported on 5G disaggregated and open solutions or on chips.
- Impact of the project: improvement of the cyber resilience of the Czech Republic and/or EU
- Potential/opportunities for implementation of the project outputs
- Quality and maturity of the project proposal
- Alignment with the objectives of the call
- Soundness of the implementation plan and efficient use of resources
- Capacity of the applicants to carry out the proposed work

This work package will be implemented in the form of several open calls targeted at defined specific goals and forms.

The planned implementation mechanism is inspired by conditions of the Digital Europe Programme, e.g., in terms of main evaluation criteria (relevance, implementation, impact) or eligible costs definition and reporting mechanisms.

The grants will be administered taking into account the following conditions as listed in the Call document:

1. the calls must be open, published widely and conform to EU standards concerning transparency, equal treatment, conflict of interest and confidentiality
2. the calls must be published on the Funding & Tenders Portal, and on the participants' websites
3. the calls must remain open for at least two months
4. if call deadlines are changed this must immediately be published on the Portal and all registered applicants must be informed of the change
5. the outcome of the call must be published on the participants' websites, including a description of the selected projects, award dates, project durations, and final recipient legal names and countries
6. the calls must have a clear European dimension.

STAFF EFFORT

Staff effort per participant			
<i>Grant Preparation (Work packages - Effort screen) — Enter the info.</i>			
Participant	WP1	WP2	Total Person-Months
1 - NCISA	17.00	34.00	51.00
1.1 - CSH	6.00	15.00	21.00
Total Person-Months	23.00	49.00	72.00

LIST OF DELIVERABLES

Deliverables						
<i>Grant Preparation (Deliverables screen) — Enter the info.</i>						
<i>The labels used mean:</i>						
<i>Public — fully open (⚠ automatically posted online)</i>						
<i>Sensitive — limited under the conditions of the Grant Agreement</i>						
<i>EU classified — RESTREINT-UE/EU-RESTRICTED, CONFIDENTIEL-UE/EU-CONFIDENTIAL, SECRET-UE/EU-SECRET under Decision 2015/444</i>						
Deliverable No	Deliverable Name	Work Package No	Lead Beneficiary	Type	Dissemination Level	Due Date (month)
D1.1	Project Management Handbook	WP1	1 - NCISA	R — Document, report	SEN - Sensitive	3
D1.2	Communication and Dissemination Plan	WP1	1 - CSH	R — Document, report	SEN - Sensitive	3
D1.3	Internal Project Progress Report 1	WP1	1 - NCISA	R — Document, report	SEN - Sensitive	9
D1.4	Internal Project Progress Report 2	WP1	1 - NCISA	R — Document, report	SEN - Sensitive	27
D2.1	FSTP Mechanism Documentation	WP2	1 - CSH	R — Document, report	SEN - Sensitive	9
D2.2	Strategic Agenda	WP2	1 - NCISA	R — Document, report	PU - Public	9
D2.3	FSTP Call Documentation	WP2	1 - NCISA	R — Document, report	PU - Public	16
D2.4	Supported Projects and Evaluation Report	WP2	1 - NCISA	R — Document, report	SEN - Sensitive	21
D2.5	Activity and Communication Report	WP2	1 - NCISA	R — Document, report	PU - Public	36

Deliverable D1.1 – Project Management Handbook

Deliverable Number	D1.1	Lead Beneficiary	1. NCISA
Deliverable Name	Project Management Handbook		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	3	Work Package No	WP1

Description
The Project Management Handbook streamlines the project's initiation through consolidation of activities, representing a core document providing essential information about project management in terms of administration, procedures, communication, knowledge management, monitoring etc. It will contain objectives, responsibilities, and communication workflow. The document will be in English and Electronic.

Deliverable D1.2 – Communication and Dissemination Plan

Deliverable Number	D1.2	Lead Beneficiary	1. CSH
Deliverable Name	Communication and Dissemination Plan		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	3	Work Package No	WP1

Description
Communication and Dissemination Strategy will identify the main communication channels for the distribution of information to the community and target groups, design an appropriate information strategy to maximize the reach of the project and its outputs. The strategy will then be implemented in the individual project activities. It will also cover the exploitation. The document will be in English and Electronic.

Deliverable D1.3 – Internal Project Progress Report 1

Deliverable Number	D1.3	Lead Beneficiary	1. NCISA
Deliverable Name	Internal Project Progress Report 1		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	9	Work Package No	WP1

Description
Internal project report to describe the progress regarding the implementation of the project. The report will be Electronic and in English.

Deliverable D1.4 – Internal Project Progress Report 2

Deliverable Number	D1.4	Lead Beneficiary	1. NCISA
Deliverable Name	Internal Project Progress Report 2		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	27	Work Package No	WP1

Description
Internal project report to describe the progress regarding the implementation of the project. The report will be Electronic and in English.

Deliverable D2.1 – FSTP Mechanism Documentation

Deliverable Number	D2.1	Lead Beneficiary	1. CSH
Deliverable Name	FSTP Mechanism Documentation		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	9	Work Package No	WP2

Description
FSTP mechanism documentation will include feasibility study proposing mechanism for project selection and monitoring and will be amended by supporting toolkit (NCC council procedural rules, sample project calls, application forms, evaluation forms, sample grant agreements, etc.). The document will be Electronic and in English.

Deliverable D2.2 – Strategic Agenda

Deliverable Number	D2.2	Lead Beneficiary	1. NCISA
Deliverable Name	Strategic Agenda		
Type	R — Document, report	Dissemination Level	PU - Public
Due Date (month)	9	Work Package No	WP2

Description
The Strategic Agenda will identify the topics to be supported, consulting with relevant entities and taking into account the state of the art and the specific needs of the Czech Republic). The Agenda will be Electronic and in English.

Deliverable D2.3 – FSTP Call Documentation

Deliverable Number	D2.3	Lead Beneficiary	1. NCISA
Deliverable Name	FSTP Call Documentation		
Type	R — Document, report	Dissemination Level	PU - Public
Due Date (month)	16	Work Package No	WP2

Description
FSTP Call documentation will include full and final version of the FSTP call and amendments including rules of procedure, sample agreements, application form, etc. The documentation will be Electronic and in English.

Deliverable D2.4 – Supported Projects and Evaluation Report

Deliverable Number	D2.4	Lead Beneficiary	1. NCISA
Deliverable Name	Supported Projects and Evaluation Report		

Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	21	Work Package No	WP2

Description

This report will include a list of supported project and description of their expected impact and will be amended by the evaluation forms and NCC council meeting minutes. The Report will be Electronic and in English.

Deliverable D2.5 – Activity and Communication Report

Deliverable Number	D2.5	Lead Beneficiary	1. NCISA
Deliverable Name	Activity and Communication Report		
Type	R — Document, report	Dissemination Level	PU - Public
Due Date (month)	36	Work Package No	WP2

Description

Information regarding the communication and dissemination activities of the project together with the information regarding the planned workshops/events will be subject to the EU mandatory periodic reports (in M18 and M36) and other project progress reports and updates (in M9 and M27).

LIST OF MILESTONES

Milestones					
<i>Grant Preparation (Milestones screen) — Enter the info.</i>					
Milestone No	Milestone Name	Work Package No	Lead Beneficiary	Means of Verification	Due Date (month)
1	Mid-term project review	WP1	1-NCISA	Mid-term project assessment report (included in the mandatory EU report).	18
2	Final project review and project closure	WP1	1-NCISA	Final project assessment report (included in the mandatory EU report).	36
3	FSTP Calls Activation	WP2	1-NCISA	Launch of the calls on the F&T Opportunities Portal. This milestone is connected to the deliverable called "FSTP Call documentation".	16
4	Projects closure and evaluation	WP2	1-NCISA	Final report and evaluation of the supported projects will be a part of the final mandatory EU report.	36

LIST OF CRITICAL RISKS

Critical risks & risk management strategy			
<i>Grant Preparation (Critical Risks screen) — Enter the info.</i>			
Risk number	Description	Work Package No(s)	Proposed Mitigation Measures
1	Communication problems between the project partners can cause delays to the implementation of the project.	WP2, WP1	Kick-off meeting will be held to establish personal contacts; the Project Management Handbook will set procedures for the day-to-day management administration and communication, operational management.

Critical risks & risk management strategy			
<i>Grant Preparation (Critical Risks screen) — Enter the info.</i>			
Risk number	Description	Work Package No(s)	Proposed Mitigation Measures
2	Withdrawal of a team member during the project implementation.	WP2, WP1	It will be ensured that the project team is transparent and robust, uses methods of substitutability and horizontal information sharing and that the conditions are set up in a motivational and long-term way.
3	A partner will fail to fulfil an obligation or leave the project altogether.	WP2, WP1	The selection of consortium members is based on already existing strategic cooperation within other projects and activities. Regular monitoring of the external conditions will be conducted with eventual reactions to the changes.
4	Financial shortage due to costs increase by inflation and/or by CZK currency ratio fluctuations.	WP2, WP1	Realistic planning of the cost setting and spending backed by the Consortium agreement and through financial coordination will be ensured.
5	Failure to observe the proposed project timetable.	WP2, WP1	Regularly consulting the timetable, setting up control mechanisms, realistic project planning (providing enough time and resources), highly experienced team.
6	Slow uptake of the FSTP process.	WP2	Early communication with the target audience about the upcoming calls will be ensured, together with cooperation with partners and national stakeholders to pass on information regarding the funding opportunities and provide support.
7	Delays in establishing the certification schemes (entities will not apply for funding if they will not have enough information, NCC will not have enough information to launch the FSTP calls).	WP2	In order to mitigate the risks, active participation in meetings concerning the scheme preparation, ECCG meetings and active approach in the Committee meetings will be ensured.
8	Low interest in the open calls.	WP2	Mapping the needs and capacities of the targeted stakeholders. In this context, pre-mapping of interest was done before the submission of the project application, the mapping will continue during the project implementation to be in line with the capacities. Also, the funding opportunities will be actively presented and advertised targeting the relevant audience sufficiently in advance.
9	All interested parties are focusing on the same topic.	WP2	Identification of areas/topics that are attractive for the targeted stakeholders. Pre-mapping of the interest among the targeted stakeholders, identification of topics in line with the interest and needs of the targeted audience and the CZ.

PROJECT REVIEWS

Project Reviews			
<i>Grant Preparation (Reviews screen) — Enter the info.</i>			
Review No	Timing (month)	Location	Comments
RV1	18	To be determined	
RV2	36	To be determined	



Digital Europe Programme (DIGITAL)

Description of the action (DoA)

Part B

Version 1.0
01 November 2021



DESCRIPTION OF THE ACTION (PART B)

HISTORY OF CHANGES		
DATE	PAGE/SECTION	NATURE OF CHANGE AND REASON
31.5.2023	Critical risks	Two risks connected to the WP2: Financial Support to Third Parties were added (Low interest in the open calls; All interested parties are focusing on the same topic) based on the received recommendations.
31.5.2023	WP1: Project Management and Coordination (Deliverables)	The dissemination level was changed in “Project Management Handbook” and “Communication and Dissemination Plan” from public to sensitive due to the possibly sensitive nature of the information.
31.5.2023	WP1: Project Management and Coordination	The dissemination level of the deliverable “Internal Project Progress Report 1” and “Internal Project Progress Report 2” was changed from public to sensitive due to possibly sensitive nature of the information regarding the progress of the project implementation.
2.6.2023	WP1: Project Management and Coordination	Deliverable “EC Periodic Reports” was deleted since the reporting towards EU is already covered separately.
2.6.2023	WP1: Project Management and Coordination and WP2: Financial Support to Third Parties	The language of deliverables was changed to English due to the expected reviews. The documents may also exist in Czech language; however, convenience translations will be used for submitting the deliverables.
2.6.2023	WP1: Project Management and Coordination and Dissemination and communication of the project and its results	A sentence “ <i>It will also cover the exploitation.</i> ” was added to the description of the deliverable “Communication and Dissemination Plan” based on a recommendation. The same sentence was also added to the description of Communication and Dissemination Plan to be in line with the specific topic conditions regarding an additional deliverable on dissemination and exploitation, to be submitted in the first six months of the project.
27.6.2023	WP1: Project Management and Coordination	The description of the planned milestones, the M1 (“Mid-term project review”) and M2 (“Final project review and project closure”) was updated with “ <i>included in the mandatory EU report</i> ” to link the means of verification of these milestones to the mandatory EU reporting and explain that there will not be double documents concerning the same topic.
27.6.2023	WP2: Financial Support to Third Parties	A milestone description of M3 “FSTP Calls Activation” was updated with “ <i>This milestone is connected to the deliverable called “FSTP Call documentation.”</i> ”
27.6.2023	WP2: Financial Support to Third Parties	A milestone description of M4 (“Projects closure and evaluation”) was updated with “ <i>will be a part of the final mandatory EU report</i> ”.
27.6.2023	WP2: Financial Support to Third Parties	Deliverable called “Final Report” was deleted since the topic (final report and evaluation regarding the supported projects) will be finally covered in the mandatory EU report at the end of the project and in Milestone 4.
27.6.2023	WP2: Financial Support to Third Parties	The deliverables “FSTP/Certification Workshop for targeted stakeholders” and “Closing event” were deleted and instead a new deliverable “Activity and Communication Report” was created together with this description “ <i>Information regarding the communication and dissemination activities of the project together with the information regarding the planned workshops/events will be subject to the EU mandatory periodic reports (in M18 and M36) and other project progress report and updates (in M9 and M27).</i> ”
27.6.2023	WP1: Project Management and Coordination	Deliverable “Internal Project Progress Reports” to be submitted in month 6, 12, 18, 24, 30 and 36 was divided between 2 deliverables “Internal project Progress Report 1” and “Internal project Progress Report 2” and updated with the description “ <i>Internal project report to describe the progress regarding</i>

		<i>the implementation of the project. The report will be Electronic and in English.</i> The reporting was reduced since it is partly already covered by the mandatory EU reporting.
29.6.2023	1.1 Objectives and Activities	Based on the received recommendations, the objectives of the project were linked to the KPIs that are described in more detail in section 3. Also, the description of the “Objectives and activities” was updated to include the possibility to support entities from other eligible European countries to the degree possible and sensible, and to explain that the financial support might also concentrate on activities in line with the spirit and objectives of the proposed amendment of the CSA.
30.6.2023	3.1 Expected outcomes and deliverables – Dissemination and communication	Based on the received recommendations, the values of the set KPIs were elaborated (however, it is highly dependent on the interest of the third parties) and additional KPIs were provided (such as number of expected projects and communication activities).
30.6.2023	Competitiveness and benefits for the society	A sentence <i>“However, we understand, that developing and enhancing the testing and certification capabilities and capacities in the Czech Republic contributes to the effort for building a common European system of cybersecurity certifications, therefore we expect entities from other eligible European countries to the degree possible and sensible, to benefit from NCC-CZ calls. Also, our actions will be coordinated with other NCCs to exchange best practices, avoid overlapping capacities, contribute to the common goal and have a greater outreach at EU level.”</i> was added to highlight the European cooperation with other NCCs in connection to developing and enhancing the testing and certification capabilities and capacities in the Czech Republic and the possible involvement of other European entities, based on the provided recommendations.
30.6.2023	WP2: Financial Support to Third Parties	The description of the WP2 was updated to include, in line with previous textual edits, the possibility to provide funding to entities from eligible European countries and consortia of eligible European entities (to the level possible and sensible) as well as the possibility to aim at activities in line with the spirit and objectives of the proposed amendment of CSA. The planned communication activities were also elaborated a bit more, adding to the planned FSTP/Certification workshop information regarding the Final event (<i>“We also plan to organize a final event where the outcomes of the supported projects will be presented”</i>) and newsletters, website updates and other activities in line with the Communication and Dissemination Strategy. In the “types of activity” part, the text was updated with <i>“innovative evaluation methods implemented by accreditation body”</i> and finally, in the “KPIs to measure outcomes and deliverables” this point was added <i>“innovative evaluation/assessment methods implemented by conformity assessment bodies or accreditation body”</i> to be in line.
30.6.2023	WP2: Financial Support to Third Parties	The dissemination level of the deliverable <i>“Supported projects and evaluation report”</i> was changed from public to sensitive due to a possibly sensitive nature of the document.



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1. RELEVANCE

1.1 Objectives and activities

Objectives and activities

Describe how the project is aligned with the objectives and activities as described in the Call document.

How does the project address the general objectives and themes and priorities of the call? What is the project's contribution to the overall Digital Europe Programme objectives?

The objective of this project is to increase and facilitate security and interoperability of testing capabilities and certification of connected ICT systems by cascade funding provided by the NCC-CZ. This aims to improve the capabilities and cooperation of cybersecurity certification stakeholders in line with the objectives of Regulation (EU) 2019/881 (“CSA”).

The Czech Republic is a member of the international agreement facilitating the mutual recognition of Common Criteria (CCRA) as a certificate consuming member, but not as a certificate issuer. This consequentially implies that Czech Republic does not have the necessary infrastructure or personnel capacities to issue certificates or provide testing facilities for Common Criteria. However, there is significant potential for growth and improvement in field of cybersecurity certification.

Czech Republic has state-of-the-art laboratories that are dedicated to providing services for Industrial and Automation Control Systems (IACS) or Internet of Things. Additionally, the national accreditation body is equipped with the capabilities to offer accreditation for Information Security Management System, Information Technology Services Management System, or Business Continuity Management System.



Despite its limited experience in cybersecurity certification, Czech Republic is determined to make progress in this crucial field. The Czech National Cyber and Information Security Agency (NCISA) serves as the central administrative body for cybersecurity including the role of NCCA (National Cyber Certification Authority), which implies that it oversees the implementation and monitoring of all CSA related obligations. Furthermore, NCISA is responsible for the protection of classified information, communication systems and cryptographic protection. Together in cooperation with its partner the CyberSecurity Hub (CSH), NCISA operates as the NCC-CZ, through which it plans to provide funding to stakeholders in the area of cybersecurity certification. The objective is to support the development and expansion of the country's cybersecurity certification infrastructure and expertise, including, to the degree possible and sensible, entities from other eligible European countries.

This project aims to provide following:

- Enhance the capacities of conformity assessment bodies and accreditation bodies, including thread-based penetration testing. This will include acquiring certification testbeds, exchanging best practices, providing staff training, utilizing innovative evaluation methods for specific ICT products or components, and supporting standardization efforts (such as creating protection profiles or improving standards used in certification schemes),
- Support small and medium-sized enterprises (SMEs) in testing and obtaining certification for the ICT products, services, or processes they offer, with priority given to proposals that demonstrate a positive impact on sectors affected by the COVID-19 pandemic (e.g., health sector),
- Support SMEs using ICT equipment to assess the cybersecurity resilience of their infrastructure by means of audit,
- Provide support for standardization efforts, such as creating protection profiles or enhancing standards utilized in certification programs and align with relevant European and international standardization organizations as necessary,
- Help enhance cybersecurity and interoperability testing abilities for 5G decentralized and open solutions.

Expected outcomes and deliverables in the form of KPIs are more detailed in section 3. Impact, clause 3.1.

Support will concentrate on certification schemes specified in the Cybersecurity Act when appropriate and may also be offered for technical field not currently addressed by the schemes under the CSA, including activities in line with the spirit and objectives of the proposed amendment of CSA.

The contribution of this project to the overall Digital Europe Programme (DEP) is to:

- Build knowledge, capacity and skills related to cybersecurity certifications as well as best practices,
- Enhance resilience, elevate risk awareness, and attain basic levels of cybersecurity,
- Advance cybersecurity equipment, tools and data infrastructure
- Improve coordination among relevant stakeholders (National Accreditation Body (NAB), Conformity Assessment Body (CAB), ICT manufactures/providers and ICT users).

#@COM-PL-CP@#

1.2 Contribution to long-term policy objectives, policies and strategies — Synergies

Contribution to long-term policy objectives, policies and strategies — Synergies

Describe how the project contributes to long-term policy objectives of the call's domain/area and to the relevant policies and strategies, and how it is based on a sound needs analysis in line with the activities at European and national level.

What challenge does the project aim to address?

The objectives should be specific, measurable, achievable, relevant and time-bound within the duration of the project.

Improvement and strengthening of testing capabilities and certification under the objectives of Cybersecurity Act is crucial for achieving a complex ecosystem where multiple stakeholders could get involved in the certification process. The development of appropriate certification capacities and capabilities together with the support of private sector is envisioned in the Action Plan for the National Cybersecurity Strategy of the Czech Republic 2021 – 2025 published by NCISA. According to the Action Plan, NCISA is responsible for fulfilling tasks and objectives stipulated by the Cybersecurity Act. Moreover, the Development Framework of NCISA from 2020 also considers the development of Czech framework of CABs as well as enhancing their capabilities. The Development Framework operates with the horizon

of 2025 until which a complex network of CABs should be created, offering its capabilities to the end-users who can obtain individual EU cybersecurity certification.

Czech Republic also considers using the future certification scheme for cloud service providers as a presumption of conformity in the context of the national cloud regulation.

The national activities and strategies are in line with the EU activities in the certification area, especially with the Cybersecurity Act, NIS2 Directive (Article 24) and Cyber Resilience Act (presumption of conformity with the proposed Regulation).

The project that we are proposing contributes significantly to the long-term policy objectives of the call's domain/area by providing SMEs with the resources and support they need to build their security auditing practices. This aligns with the relevant policies and strategies at both European and national levels, which prioritize the development and growth of SMEs as key drivers of economic growth and stability. The national accreditation body will also act as a recipient of the funds, using them to build their personal capacities and acquire necessary tools for delivering services in line with CSA.

#§COM-PLE-CP§#

1.3 Digital technology supply chain

Digital technology supply chain

Explain to what extent the project would reinforce and secure the digital technology supply chain in the EU.



This criterion might not be applicable to all topics — for details refer to the Call document.

The support and the development of Czech certification bodies will help to reinforce and secure the digital supply chain of the EU in several ways. Firstly, Czech bodies do have the local expertise in the Czech market and economy, which can help to identify and mitigate risks specific to the region. The development and support of Czech conformity assessment bodies can increase competition within the EU certification market, which can help to drive innovation and improve the overall quality of the certification process. Furthermore, it will improve accessibility of the certifications by allowing Czech as well as foreign companies to get their products and services certified for a reasonable cost, which is particularly important for SMEs that may be short of resources. Companies will thus not have to engage in certification process outside of the Czech Republic which would allow them to save on costs.

Moreover, by developing and enhancing the testing and certification capabilities and capacities in the Czech Republic, the industry will be able to engage in certification processes early on and benefit from the schemes with a view of compliance with the relevant EU policy measures aiming at improving the digital supply chain in the EU, such as the EU Cloud Certification Scheme. Conformity assessment bodies with appropriate capacities and capabilities are thus essential for the private sector to be able to comply with the cybersecurity policy measures that ensure an appropriate cybersecurity level of the certified products.

Although certification alone does not guarantee that a certified product would not be compromised, it improves the cybersecurity ecosystem and the security of the digital technology supply chain on both national and EU level. Certification of products thus guarantee that the products have certain level of security, making it harder for threat actors to engage in malicious activity. For that, it is vital to develop and improve the certification processes as well as conformity assessment bodies so that they can thoroughly test the products and evaluates their compliance with relevant cybersecurity certification schemes.

The development and support of the national certification bodies can play a key role in reinforcing and securing the digital supply chain of the EU. By providing local expertise, increasing competition, improving accessibility, increasing trust, and better protecting critical assets within the Czech Republic as well as in other EU member states, the certification bodies can contribute to building a more secure and resilient digital supply chain across the EU.

The project that we are proposing would significantly reinforce and secure the digital technology supply chain in the EU by supporting the development of robust security auditing practices among SMEs. SMEs are an important part of the digital technology supply chain, and the security of their products and services is essential to maintaining the overall security and stability of the EU's digital infrastructure.

The national accreditation body is an essential player in both securing the digital supply chain and providing services in regards to the EU cybersecurity certification ecosystem. This alone helps to maintain



the integrity and reliability of the certification process, contributing to the overall security and stability of the digital technology supply chain in the EU.

1.4 Financial obstacles

Financial obstacles

Describe to what extent the project can overcome financial obstacles such as the lack of market finance.

 *This criterion might not be applicable to all topics — for details refer to the Call document.*

Not applicable as stated in the Call document DIGITAL-ECCC-2022-CYBER-03.

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2. IMPLEMENTATION

2.1 Maturity

Maturity

Explain the maturity of the project, i.e. the state of preparation and the readiness to start the implementation of the proposed activities.

In December 2021, NCISA received the authorization by the Czech government to ask for a nomination from the EU and request a capacity assessment for the NCC-CZ. At the same time, cooperation was established with the partner institution CyberSecurity Hub (CSH) by signing a memorandum of cooperation. Since then, NCISA and CSH have started discussing how to fulfil the tasks of the NCC-CZ with regard to the provision of financial support to third parties (FSTP) using the cascade funding mechanism. NCC-CZ has already received the positive result of the capacity assessment, therefore is now focusing on setting up mechanisms to ensure its ability to redistribute EU funds to entities.

Representatives from NCISA and CSH attended a number of webinars focusing on providing FSTP and obtaining EU funding (e.g., NCC Workshop organized by the European Commission/ECCC, NCC-SK webinar) and initiated consultations with relevant national stakeholders (for example Technology Centre Prague which acts as the National Contact Point for Horizon Europe) to strengthen knowledge and exchange experiences.

NCISA, in partnership with ENISA, the national accreditation body and other Czech and foreign organizations, conducts awareness-raising events to inform its stakeholders about EU cybersecurity certification. The aim of these events is not only to raise awareness of the upcoming certification programs, but also to establish partnerships within the industry. During a workshop held in November 2022, NCISA informed potential conformity assessment bodies about the possibility of funding their operations through the NCC-CZ, and many organizations expressed interest in this opportunity.

As was already mentioned, both NCISA and CSH are working on setting up mechanisms regarding the FSTP funding management (for example preparing materials, guidelines and internal processes). A project group has been set up in order to ensure capacity and ability to implement this project, bringing together national experts from different departments within NCISA and CSH to provide legal, financial and administrative support.

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2.2 Implementation plan and efficient use of resources

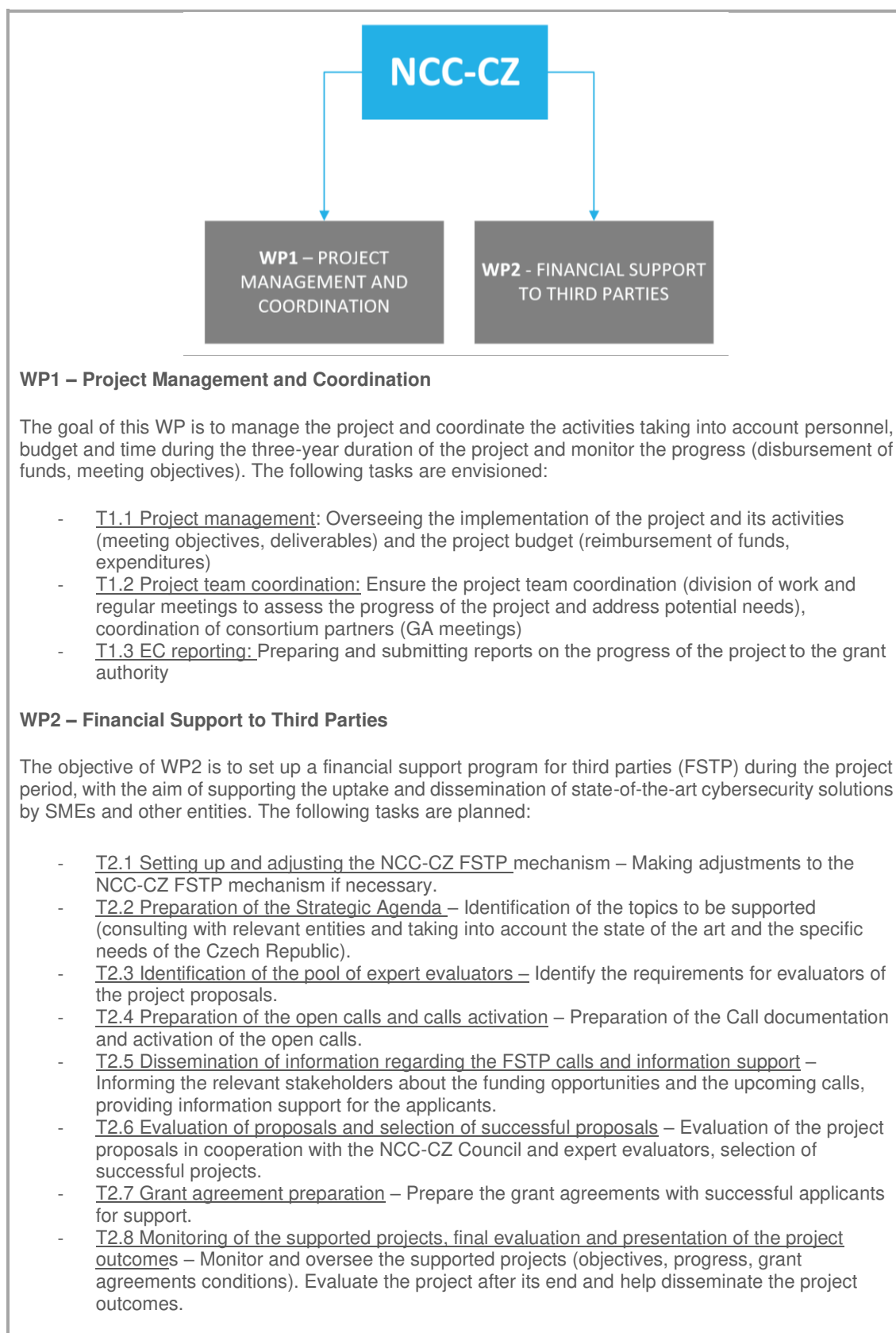
Implementation plan

Show that the implementation work plan is sound by explaining the rationale behind the proposed work packages and how they contribute to achieve the objectives of the project.

Explain the coherence between the objectives, activities, planned resources and project management processes.

Show how the project integrates, builds on and follows up on any pre-existing work or EU funded projects. Provide details (including architecture and deliverables) about pre-existing technical solutions.

The work packages (WPs) proposed in this project correspond to the planned project objectives. The main goal is to provide FSTP through the NCC-CZ, therefore WP2 is focusing solely on FSTP. The WP1 focuses on the overall management and coordination of this project that is necessary to perform the tasks and carry out the activities.



Project management, quality assurance and monitoring and evaluation strategy

Describe the measures planned to ensure that the project implementation is of high quality and completed in time.

Describe the methods to ensure good quality of monitoring, planning and control activities.

Describe the evaluation methods and indicators (quantitative and qualitative) to monitor and verify the outreach and coverage of the activities and results. The indicators proposed to measure progress should be specific, measurable, achievable, relevant and time-bound.

The goal is to manage this project effectively and in high quality by overseeing the project's quality control and maintaining communication with both the European Commission and relevant actors. Appropriate mechanisms will be set in order to identify and communicate potentials risks regarding the project, facilitate effective and efficient implementation and reporting in line with the contractual framework and best practices regarding project management. The procedures will be described in the Project Management Handbook (see WP1).

Quality assurance – The project will be managed according to the work plan and all the requirements regarding reporting and information will be fulfilled. Work Package Leaders (WPLs) will be responsible for tasks within work packages (WPs). The General Assembly will coordinate the quality assurance management. General Assembly/project team will meet every six months to perform internal assessments of the project and assure the conformity and quality of all project deliverables with the requirements.

Risk contingency management – The risk management process deals with the identified project risks, ensuring that the consortium fulfils the project goals on time and within the set budget. Project risks will be constantly assessed and evaluated within the duration of the project. The following four steps will be taken:

1. Risk identification
2. Risk evaluation: the probability of events will be determined, and consequences associated with their occurrence will be examined
3. Risk response: mitigation measures will be developed and implemented to reduce or control the risk
4. Risk control and report: lessons learnt will be documented.

All risk management issues will be documented in the Periodic Reports.

Resources management – Project coordinator will take care of the distribution of the financial support amongst the partners in accordance with the Grant Agreement and the consortium agreement. He will also resolve any incorrect, inappropriate, or unauthorised changes during the project duration. Resources Management activities will be focused on:

- operational costs and their reporting,
- the quality regarding the success criteria, the expected specifications and the compliance with best practices,
- the execution time regarding milestones and actual efforts.


Key figures showing the planned versus actual results, efforts, and costs per WP and partner will be internally reported every six months. Internal reporting will be used as a basis for the preparation of the periodic reports towards EC.

Documentation – In order to ensure effective project management, organizational documentation will be created, namely the Coordination Matrix and Workflow Plan. The Coordination Matrix and Workflow plan clearly define the mechanisms for passing on and sharing information, cooperation on individual tasks within the project, the organization of reporting and mechanisms for evaluating activities and outputs, and the processes for their approval. This documentation will be part of the Project Management Handbook and will be periodically revised.

Cost effectiveness and financial management *(n/a for prefixed Lump Sum Grants)*

Describe the measures adopted to ensure that the proposed results and objectives will be achieved in the most cost-effective way.

Indicate the arrangements adopted for the financial management of the project and, in particular, how the financial resources will be allocated and managed within the consortium.

 Do NOT compare and justify the costs of each work package, but summarize briefly why your budget is cost effective.

The financial flows of the project are set using the experience with similar projects (ie. National Cybersecurity Competence Centre, Cybersecurity Innovation Hub, etc.). Based on a consortium agreement, the project coordinator will distribute the funds according to the approved budget. Spending of the grant money in compliance with the project plan and approved budget will be under supervision of WPLs and the project coordinator.

Total estimated expenditures are approximately **856 321 EUR**. The project budget is conceived as adequate and necessary to achieve the planned activities and results of the project. The project includes personnel costs, purchase costs, other cost categories and indirect costs.

The **personnel costs** of the project represent the necessary costs to achieve the planned results of the project, including its management. The composition and structure of the project team reflects long-term experience in managing and implementing strategic projects in the field of ICT and, at the same time, the knowledge, and competencies of key staff, where their excellent representation in the implementation team confirms the strategic importance attached to the project. Personnel costs are calculated, including contributions to social and health insurance premiums and other compulsory expenses and remuneration, and are determined in accordance with the long-term average wage for similar positions and situations in the field of ICT.

The **purchase costs** include travel and subsistence costs (mainly for the domestic travel), equipment costs (for the acquisition of small tangible and intangible assets – computer technology, software, office equipment designed to coordinate and manage the project) and other goods, works and services (for example marketing materials regarding the activities).

Other costs categories include the purchase of services related to networking, dissemination, and marketing activities, such as renting spaces and equipment for events (workshop and final event), streaming services, translation and printing services, communication campaigns (cooperation with media and press offices, direct mailing), the cost of external online tools and systems (video conferencing platforms, etc.). A part of the budget will also be used for the NCC-CZ Council and expert evaluators. Also, the costs for FSTP, as allowed in the call document, constitute a significant part of the budget. The maximum amount per third party is EUR 100 000, in total EUR 500 000 for the budget category FSTP, and the recipients of the FSTP will co-finance the activity by minimum 50 % of the total costs of the activity.

Indirect costs are set at a flat rate of 7 % of the eligible direct costs.

2.3 Capacity to carry out the proposed work

Consortium cooperation and division of roles (if applicable)

Describe the participants (Beneficiaries, Affiliated Entities and Associated Partners, if any) and explain how they will work together to implement the project. How will they bring together the necessary expertise? How will they complement each other?

In what way does each of the participants contribute to the project? Show that each has a valid role and adequate resources to fulfil that role.

Note: *When building your consortium you should think of organisations that can help you reach objectives and solve problems.*

The tasks of the project will be carried out by a consortium consisting of NCISA and CSH, who together carry out the tasks of the National Coordination Centre in the Czech Republic (NCC-CZ). NCISA will act as the project coordinator (and main beneficiary) and CSH as the affiliated entity.

NCISA is the central administrative body in the Czech Republic for cybersecurity, including the protection of classified information in information and communication systems and cryptographic protection. Within NCISA, the main department responsible for the NCC-CZ is the R&D Unit, however, other departments and subdepartments will provide support, such as the Regulation Department as well as Economy, Project management and Legal departments. The regulatory department of NCISA will offer technical and professional support for the project. The department's staff has extensive experience in the accreditation and certification field. Also, there are the Czech Republic's representatives in the CCRA development board CCDB, who have completed training at the German Federal Office for Information

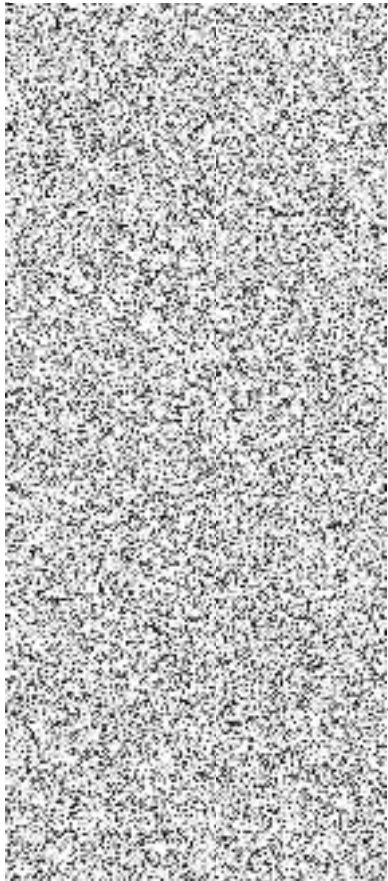


Security (BSI), and others who are working on the national regulation for cloud services based on the German C5 scheme. This provides them with a technical expertise in the subject.

NCISA is supported by a partner institution CSH in fulfilling the tasks of the NCCs resulting from the 2021/887 Regulation. The cooperation between NCISA and CSH was commenced by signing of the memorandum of cooperation in December 2021. CSH was established by leading Czech universities as an independent non-profit legal entity to support coordination and cooperation in research, application, and innovation projects in the field of cybersecurity. CSHs team has experience in participating in and coordinating large-scale national and international projects (e.g., Czech National Cybersecurity Competence Centre, or CyberSecurity, CyberCrime and Critical Information Infrastructures Center of Excellence, or the Concordia and CyberSec4Europe EU pilot projects), as well as with providing financial support to third parties within the National Cybersecurity Competence Centre (NC3). CSH is also the coordinator of the European Digital Cybersecurity Innovation Hub consortium and has an extensive network of collaborations that includes research organisations, industry, clusters and chambers of commerce, public administrations and international organisations. This experience and the infrastructural, professional and administrative capacities of the CSH will be used in the implementation of relevant project activities.

The project team brings together experts from CSH and NCISA and various departments (R&D, regulation, economic, legal and project management) to ensure the execution of the planned project activities and tasks.

Project teams and staff		
<p><i>Describe the project teams and how they will work together to implement the project.</i></p> <p><i>List the staff included in the project budget (budget category A) by function/profile (e.g. project manager, senior expert/advisor/researcher, junior expert/advisor/researcher, trainers/teachers, technical personnel, administrative personnel etc. and describe briefly their tasks.</i></p>		
Name and function	Organisation	Role/tasks/professional profile and expertise
		Delivers administration and management support, manages project documentation, ensures complementarity with NCC-CZ activities.
		Ensures effective cooperation with the project partner CSH, ensures complementarity with NCC-CZ activities.
		Supervising and advising in the project management process, providing advice in EU funding.
		Ensures project compliance with national and EU law, coordinates the preparation of contracts, agreements and other legal documents.
		Ensures project compliance with national and EU law, coordinates the preparation of contracts, agreements and other legal documents, provides legal advice in the area of public procurement and grant programs.
		Provides expertise in cybersecurity certification, cooperates in preparing open calls for third parties, ensures communication with national cybersecurity certification stakeholders.

	Provides expertise in cybersecurity certification, cooperates in preparing open calls for third parties, ensures communication with national cybersecurity certification stakeholders.
	Delivers administration and management support, manages project documentation
	Provides financial and administrative support to manage funds and other administrative processes, establishes budget and financial plans, ensures economic and financial aspects of public procurement, manages financial risks, sets mechanisms for providing financial support to third parties.
	Ensures project compliance with national and EU law, coordinates the preparation of contracts, agreements and other legal documents.
	Supervising and advising in the project management process, providing advice in EU funding.
	Ensuring the complementarity of activities between NCC-CZ and EDIH, strategic leading of the project, coordinator of activities between NCISA and CSH.

Outside resources (subcontracting, seconded staff, etc)

If you do not have all skills/resources in-house, describe how you intend to get them (contributions of members, partner organisations, subcontracting, etc.) and for which role/tasks/professional profile/expertise

If there is subcontracting, please also complete the table in section 4.

The project tasks will be carried out by CSH and NCISA staff. The goal is to concentrate as many resources as possible in-house through regular employment process/hiring of staff.

Consortium management and decision-making (if applicable)

Explain the management structures and decision-making mechanisms within the consortium. Describe how decisions will be taken and how regular and effective communication will be ensured. Describe methods to ensure planning and control.

Note: *The concept (including organisational structure and decision-making mechanisms) must be adapted to the complexity and scale of the project.*

NCISA and CSH will incorporate the necessary administrative apparatus and robust management for the project team to function effectively. The project coordinator (NCISA) will be responsible for the coordination and management. The representatives of both consortium partners form the General Assembly, which decides on key organizational issues.

NCISA and CSH closely cooperates within the established expert project team. Cooperation mechanisms including responsibilities will be described in the **Project Management Handbook**. Regular meetings are expected.

Furthermore, project management and decision-making risk will be guided by the terms stipulated in the **Consortium Agreement (CA)**, **Grant Agreement (GA)**, as well as in this project proposal. The aim of the CA is to establish a legal framework for the project to provide clear guidelines for issues within the consortium. The internal decisions will be taken according to the internal documentation of the consortium, namely by the Project Management Handbook (including the already mentioned Coordination Matrix and Workflow Plan). The consortium management is described under the point Project management, quality



assurance and monitoring and evaluation strategy in section 2.2. of this document. Decision-making risks are summarized and eliminated under the point of Critical risks and risk management strategy in section 2.2.

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3. IMPACT

3.1 Expected outcomes and deliverables — Dissemination and communication

Expected outcomes and deliverables

Define and explain the extent to which the project will achieve the expected impacts listed in Call document.

The objective of this project is to enhance cybersecurity and resilience of ICT products, processes and services. To accomplish this, the project sets out to construct a comprehensive ecosystem that guarantees professional-grade cybersecurity certification services. Additionally, it aims to assist certification clients, specifically SMEs in fulfilling the specifications outlined by the certification schemes. The funding is expected to:

- Support the capabilities of conformity assessment bodies, and accreditation bodies,
- Improve cybersecurity and interoperability testing abilities, including in the realm of 5G disaggregated and open solutions and trusted chips,
- Support SMEs in auditing their infrastructure with the aim of improving their cybersecurity protection,
- Facilitate standardization efforts.

KPIs to measure outcomes and deliverables (highly dependent on the interest of third parties):

- 3 Supported certification testbeds established, and innovative evaluation/assessment methods implemented by conformity assessment bodies or accreditation body,
- 3 Certification and testing services provided by the beneficiaries as a result of the initiatives,
- 1 Standardization actions supported with European and international standardization organizations, e.g., quantity and originality of standards and specifications published in regards to evaluation tools and methods used by beneficiaries,
- Capacity and knowledge building activities e.g., exchange of best practices among 2 beneficiaries, staff trainings (10 persons),
- Increase in the number or extent of ICT products, services or processes of SMEs that received support for testing and certification by 2,
- 2 Cybersecurity resilience audits of ICT equipment by supported SMEs,
- 1 Cybersecurity and interoperability testing capabilities supported on 5G disaggregated and open solutions or on chips.
- 5 Expected supported projects via the FSTP
- 6 Expected e-mail updates
- 2 Expected online/onsite events (approximately 50 participants)
- 6 Expected updates on websites and social media channels (including www.EUcertifikace.nukib.cz etc.)

The communication activities will be planned and prepared based on the Communication and Dissemination Strategy (described in more detail below) which will define the communication channels and target audience etc. The communication activities regarding this project will be also aligned with communication activities of the NCC in the project NCC-CZ (planned newsletters, website updates, direct communication with media etc.).

Dissemination and communication of the project and its results

If relevant, describe the communication and dissemination activities, activities (target groups, main messages, tools, and channels) which are planned in order to promote the activities/results and maximise the impact. The aim is to inform and reach out to society and show the activities performed, and the use and the benefits the project will have for citizens

Clarify how you will reach the target groups, relevant stakeholders, policymakers and the general public and explain the choice of the dissemination channels.

Describe how the visibility of EU funding will be ensured.

! *In case your proposal is selected for funding, you will have to provide a more detailed plan for these activities (dissemination and communication plan), within 6 months after grant signature. This plan will have to be periodically updated; in line with the project progress.*

A set of different communication channels and tools will be used to disseminate and communicate NCC-CZ activities and the results of the project. The NCC-CZ will together in close cooperation with NCCA target multiple audiences, for example the public, cybersecurity certification stakeholders on the national level, NCC Network, European Community, ECCC and when relevant media.

The NCC-CZ activities will be communicated in close cooperation with the regulatory department of NCISA, which has devised a strategy for securing EU cybersecurity certification, with a primary objective of supporting the establishment of conformity assessment bodies (CABs). To keep the cybersecurity stakeholders informed, the regulatory department communicates updates and developments in the field through emails, webinars, workshops, and/or conferences. During these events, the regulatory department will also provide information about upcoming calls for EU support for cybersecurity certification.

Main communication channels:

- **Web presentation:** Separate website of NCC-CZ will offer information about the activities, news and results of the NCC-CZ regarding this project. Websites of all the partners will be used to publish and widen the information about the NCC-CZ activities and services.
- The EU Certification website will serve as a communication platform where updates on calls for proposals issued by the NCC-CZ to support capacity building of EU cybersecurity certifications will be regularly published.
- **Social media channels:** relevant social media platforms will be used for dissemination of information regarding the NCC-CZ activities and outcomes within this project.
- **PR articles published in cooperating media:** Especially printed and/or electronic media focusing on cybersecurity and the target audience.
- **Direct communication with media:** Interviews provided by the representatives of NCC-CZ, press releases (regarding the start of the project, new activities and major outputs)
- **Direct communication with partners and stakeholders:** Sharing of information within the national cybersecurity certification stakeholders via direct e-mails or newsletters.

Communication tools:

- **Direct mailing campaigns:** through newsletters and other direct e-mails addressed to potential participants and relevant partners
- **Printed and online PR campaign:** Traditional tools such as press releases, interviews with media, articles in the expert/targeted media will be applied and accompanied by modern PR tools social media.
- **Direct mailing campaigns:** Through newsletters and other direct e-mails addressed to potential participants and relevant national stakeholders.

All the communication activities will be implemented in a standardized manner, relying not only on the NCC-CZ partners experiences and communication standards but also on the internal documentation:

- **Communication and Dissemination Plan** – A sophisticated plan will be elaborated at the beginning of the project taking into account the rules regarding visibility (using a visible EU logo) and quality of information and building upon experience of the project partners with communication and dissemination strategies. This plan will include the comprehensive dissemination and communication strategy, will focus on needs and expectations of target groups, and will plan their engagement and will set the dissemination and communication overall approach, project partners responsibilities, the framework of cooperation and describe in more particular the dissemination and communication channels/tool according to their importance. It will also cover the exploitation.

- **Marketing materials** – A basic set of marketing materials illustrating the services provided by NCISA and CSH to attract the target groups will be created.

#§COM-DIS-VIS-CDV§#

3.2 Competitiveness and benefits for society

Competitiveness and benefits for the society

Describe the extent to which the project will strengthen competitiveness and bring important benefits for society

Certification, which consists of the evaluation of products, services and processes by an independent and accredited body against a defined set of criteria and the issuing of a certificate indicating conformance is crucial for increasing security in products, processes and services and, therefore, trust in these products, processes and services. With cybersecurity requirements being seen as essential to safeguard the benefits of the evolving digitalisation of society, and given the rapid proliferation of connected devices, certification serves to inform and reassure purchasers and users about the security properties of the ICT products and services that they buy or use. Risks related to the supply chain security may be significantly mitigated. If there is a bigger trust in the products and services offered, they can be better marketed. Certification also helps with protecting data (whether stored, transmitted or otherwise processed) against accidental or unauthorised storage, processing, access, disclosure, destruction, accidental loss or alteration.

Ensuring national certification capacities can lead to increased trust and security, especially from the local point of view. By developing and enhancing the testing and certification capabilities and capacities in the Czech Republic, companies will not be required to engage in certification process outside of the country which would allow them to save on costs. This could be of a great benefit especially to small and medium-sized enterprises which have limited resources. The security ensured by the Czech Republic would be increased which would contribute to a better security of EU as such. However, we understand, that developing and enhancing the testing and certification capabilities and capacities in the Czech Republic contributes to the effort for building a common European system of cybersecurity certifications, therefore we expect entities from other eligible European countries to the degree possible and sensible, to benefit from the NCC-CZ calls. Also, our actions will be coordinated with other NCCs to exchange best practices, avoid overlapping capacities, contribute to the common goal and have a greater outreach at EU level.

3.3 Environmental sustainability and contribution to European Green Deal goals

Environmental sustainability and contribution to European Green Deal goals

Describe the extent to which the project will contribute to environmental sustainability and in particular to European Green Deal goals

 This might not be applicable to all topics — for details refer to the Call document.

Not applicable as stated in the Call document DIGITAL-ECCC-2022-CYBER-03.

#§IMP-ACT-IA§#

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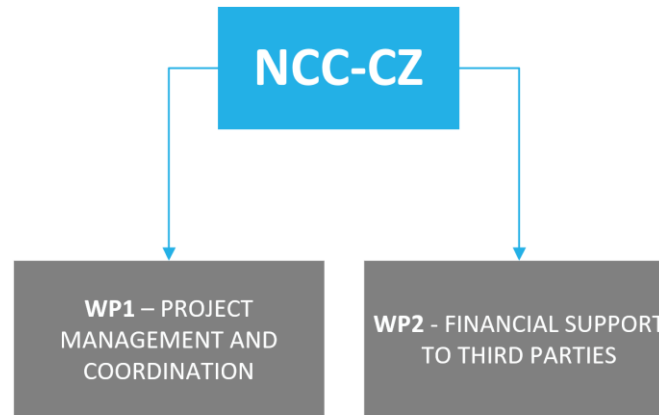
4. WORK PLAN, WORK PACKAGES, ACTIVITIES, RESOURCES AND TIMING

4.1 Work plan

Work plan

Provide a brief description of the overall structure of the work plan (list of work packages or graphical presentation (Pert chart or similar)).

In the figure below, the overall structure of the planned WPs is given. The work plan of this project will consist of fulfilling the project objectives. Two WPs are set, the first one focusing on project management and coordination of the whole project, and the second WP covering the financial support to third parties (FSTP). Details regarding the individual WPs including the planned objectives, tasks, milestones and deliverables as well as budgetary information are available in section 4.2 below. WP2 covering FSTP includes both the personnel costs for the tasks as well as the budget for the FSTP.



4.2 Work packages, activities, resources and timing

Work Package 1

Estimated budget — Resources <i>(n/a for prefixed Lump Sum Grants)</i>												
Participant	Costs											
	A. Personnel		B. Subcontracting	C.1 Travel and subsistence	C.2 Equipment	C.3 Other goods, works and services	D.1 Financial support to third parties		D.2 Internally invoiced goods and services	D.3 PAC procurement costs <i>(for PAC Grants for Procurement)</i>	E. Indirect costs	Total costs
NCISA	17 person months	56100 EUR	0 EUR	2000 EUR	4000 EUR	0 EUR	0 grants	0 EUR	0 EUR	0 EUR	4347 EUR	66447 EUR
CSH	6 person months	30000 EUR	0 EUR	2000 EUR	4000 EUR	0 EUR	0 prizes	0 EUR	0 EUR	0 EUR	2520 EUR	38520 EUR
Total	23 person months	86100 EUR	0 EUR	4000 EUR	8000 EUR	0 EUR	0 grants 0 prizes	0 EUR	0 EUR	0 EUR	6867 EUR	104967 EUR

Work Package 2

Estimated budget — Resources <i>(n/a for prefixed Lump Sum Grants)</i>												
Participant	Costs											
	A. Personnel		B. Subcontracting	C.1 Travel and subsistence	C.2 Equipment	C.3 Other goods, works and services	D.1 Financial support to third parties		D.2 Internally invoiced goods and services	D.3 PAC procurement costs <i>(for PAC Grants for Procurement)</i>	E. Indirect costs	Total costs
NCISA	34 person months	112200 EUR	0 EUR	1000 EUR	0 EUR	13000 EUR	5 grants	50000 EUR	0 EUR	0 EUR	43834 EUR	670034 EUR
CSH	15 person months	75000 EUR	0 EUR	1000 EUR	0 EUR	0 EUR	0 grants	0 EUR	0 EUR	0 EUR	5320 EUR	81320 EUR
Total	49 person months	187200 EUR	0 EUR	2000 EUR	0 EUR	13000 EUR	5 grants 0 prizes	50000 EUR	0 EUR	0 EUR	49154 EUR	751 354 EUR

Subcontracting (n/a for prefixed Lump Sum Grants)

Subcontracting Give details on subcontracted project tasks (if any) and explain the reasons why (as opposed to direct implementation by the Beneficiaries/Affiliated Entities). Subcontracting — Subcontracting means the implementation of ‘action tasks’, i.e. specific tasks which are part of the EU grant and are described in Annex 1 of the Grant Agreement. Note: Subcontracting concerns the outsourcing of a part of the project to a party outside the consortium. It is not simply about purchasing goods or services. We normally expect that the participants have sufficient operational capacity to implement the project activities themselves. Subcontracting should therefore be exceptional. Include only subcontracts that comply with the rules (i.e. best value for money and no conflict of interest; no subcontracting of coordinator tasks).						
Work Package No	Subcontract No (continuous numbering linked to WP)	Subcontract Name (subcontracted action tasks)	Description (including task number and BEN/AE to which it is linked)	Estimated Costs (EUR)	Justification (Why is subcontracting necessary?)	Best-Value-for-Money (How do you intend to ensure it?)
N/A	S1.1	-	-	-	-	-
N/A	S1.2	-	-	-	-	-
Other issues: <i>If subcontracting for the entire project goes beyond 30% of the total eligible costs, give specific reasons.</i>			N/A			

Purchases and equipment

Purchase costs (travel and subsistence, equipment and other goods works and services) Details for major cost items (needed if costs declared under ‘purchase costs’ are higher than 15% of the claimed personnel costs). Start with the most expensive cost items, down to the 15% threshold.				
Participant 1:	NCISA			
Cost item name	Category	WP(s)	Explanations	Costs (EUR)

N/A	-	-	-	-
Total				-
Participant 2:	CSH			
Cost item name	Category	WP(s)	Explanations	Costs (EUR)
N/A	-	-	-	-
Total				-
Total				-
Total purchase costs > 15% (all participants)				-
Remaining purchase costs < 15% (all participants)				-
Total purchase costs (all participants)				-

Equipment with full-cost option

For calls where full-capitalised costs are exceptionally eligible for listed equipment (see Call document), indicate below the equipment items for which you request the full-cost option, and justify your request. Ensure consistency with the budget details provided in the previous table.

Equipment Name	Description (including WP, task number and BEN/AE to which it is linked)	Estimated Costs (EUR)	Justification (why is reimbursement at full-cost needed?)	Best-Value-for-Money (how do you intend to ensure it?)
N/A	-	-	-	-
N/A	-	-	-	-

Other cost categories

Other cost categories (financial support to third parties, internally invoiced goods and services, etc)		
<i>Complete the table below for each participant that would like to declare costs under other costs categories (e.g. financial support and internally invoiced goods and services), irrespective of the percentage of personnel costs.</i>		
Participant 1:	NCISA	
Cost category	Explanations	Costs (EUR)
Financial support to third parties	The goal of this project proposal is to provide FSTP to relevant stakeholders with the aim to support building testing and certification capabilities in the Czech Republic.	500000
Internally invoiced goods and services	-	-
Participant 2:	CSH	
Cost category	Explanations	Costs (EUR)
Financial support to third parties	-	-
Internally invoiced goods and services	-	-

Timetable

Timetable (projects of more than 2 years)												
<i>Fill in cells in beige to show the duration of activities. Repeat lines/columns as necessary.</i>												
Note: Use actual calendar years and quarters. In the timeline you should indicate the timing of each activity per WP. You may add additional columns if your project is longer than 6 years.												
ACTIVITY	YEAR 1				YEAR 2				YEAR 3			
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Task 1.1 - Project management												
Task 1.2 - Project team coordination												
Task 1.3 - EC Reporting												
Task 2.1 - Setting up and adjusting the NCC-CZ FSTP mechanism												
Task 2.2 - Preparation of the Strategic Agenda												
Task 2.3 - Identification of the pool of expert evaluators												
Task 2.4 - Preparation of the open calls and its activation												
Task 2.5 - Dissemination of information regarding the FSTP calls and information support												
Task 2.6 - Evaluation of proposals and selection of successful proposals												

Task 2.7 - Grant agreement preparation												
Task 2.8 - Monitoring of the supported projects, final evaluation and presentation of the project outcomes												

#§WRK-PLA-WP§#



#@ETH-ICS-EI@#

5. OTHER

5.1 Ethics

Ethics

If the Call document contains a section on ethics, the ethics issues and measures you intend to take to solve/avoid them must be described in Part A.

Ethical dimension of the objectives, methodology and likely impact

The project does not involve any ethics issues that would invoke the need for ethics self-assessment. Therefore, it has not entered any ethics issues in the ethical issue table in the administrative proposal forms. However, we note that all work carried out under the project will respect fundamental ethics principles, including those reflected in the Charter of Fundamental Rights of the European Union, the relevant ethics rules of European Commission projects, and national and European laws. Ethics will be monitored during the project in WP 1 and 2.

Compliance with ethical principles and relevant legislation

The project ethics requires all partners contributing to the project to comply with the letter and spirit of any laws, legislation and guidelines that apply and to implement all tasks to the highest ethical behaviour and standards. Each partner shall implement their project tasks with total respect and highest regard for their organisational colleagues, fellow partners and project participants. The project will be implemented in a professional manner without any form of prejudices whatsoever, irrespective of gender, race, ethnic background, religion, nationality, geography, colour or creed.

The project coordinator, National Cyber And Information Security Agency, will be monitoring ethics that the project will leverage.

Good ethical governance and review of research and innovation is a core value and priority at NCISA. It is the responsibility of the NCISA and project partner to scrutinise all projects that involves humans to ensure it is compliant with statutory requirements and is conducted to the highest ethical principles, which emphasise the rights and welfare of subjects, treating all with dignity and ensuring that those who participate in research, whether subjects, researchers, other stakeholders are not put at risk project will leverage.

Additionally, all activities will be carried out ensuring ethical principles in accordance with Directive 95/46/EC of the European Parliament and also in accordance with the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679). All national data protection and privacy laws will also be followed.

Confirmations

I confirm that compliance with ethical principles and applicable international, EU and national law in the implementation of research activities not originally envisaged (or not described in detail) in the DoA will be ensured.

I confirm that any ethical concerns raised by those activities will be handled following rigorously the recommendations provided in the European Commission Ethics Self-Assessment Guidelines.

#§ETH-ICS-EI§# #@SEC-URI-SU@#

5.2 Security

Security

The security issues and the measures you intend to take to solve/avoid them must be described in Part A.


Note: Beneficiaries must ensure that their projects are not subject to national/third country security requirements that could affect the implementation or put into question the award of the grant (e.g. technology restrictions, national security classification, etc).

See Application Form Part A.

#§SEC-URI-SU§# #@DEC-LAR-DL@#



6. DECLARATIONS

Double funding	
Information concerning other EU grants  Please note that there is a strict prohibition of double funding from the EU budget (except under EU Synergies actions).	YES/NO
We confirm that to our best knowledge none of the projects under the action plan as a whole or in parts have benefitted from any other EU grant (including EU funding managed by authorities in EU Member States or other funding bodies, e.g. EU Regional Funds, EU Agricultural Funds, etc). If NO, explain and provide details.	YES
We confirm that to our best knowledge none of the projects under the action plan as a whole or in parts are (nor will be) submitted for any other EU grant (including EU funding managed by authorities in EU Member States or other funding bodies, e.g. EU Regional Funds, EU Agricultural Funds, etc). If NO, explain and provide details.	YES

Financial support to third parties (if applicable)
<i>If in your project the maximum amount per third party will be more than the threshold amount set in the Call document, justify and explain why the higher amount is necessary in order to fulfil your project's objectives.</i>
Not applicable, the maximum amount per third party is set within the threshold amount set in the Call document.

#\$DEC-LAR-DL\$#



ANNEXES

LIST OF ANNEXES

Standard

Detailed budget table/Calculator (annex 1 to Part B) — *mandatory for certain Lump Sum Grants (see [Portal Reference Documents](#))*

CVs (annex 2 to Part B) — *not applicable*

Annual activity reports (annex 3 to Part B) — *not applicable*

List of previous projects (annex 4 to Part B) — *mandatory, if required in the Call document*

Special

Other annexes (annex 5 to Part B) — *mandatory, if required in the Call document*

LIST OF PREVIOUS PROJECTS

List of previous projects					
<i>Please provide a list of your previous projects for the last 4 years.</i>					
Participant	Project Reference No and Title, Funding programme	Period (start and end date)	Role (COO, BEN, AE, OTHER)	Amount (EUR)	Website (if any)
N/A	Not applicable as stated in the Call document DIGITAL-ECCC-2022-CYBER-03.	-	-	-	-

HISTORY OF CHANGES		
VERSION	PUBLICATION DATE	CHANGE
1.0	01.11.2021	Initial version (new MFF).

OWNERSHIP CONTROL DECLARATION

(To be filled in by the project participants as part of the application. All declarations must be assembled by the coordinator and uploaded in a single file in the Portal Submission System.

All participants (beneficiaries, affiliated entities, subcontractors and associated partners) must fill out the form. Entities that are validated as public bodies by the Central Validation Service do not have to fill in the form but will automatically be considered as controlled by their country.

Supporting documents do not have to be provided at application stage, but will be requested later on. You will receive a task notification asking you to upload the documents to your PIC account in the Portal Participant Register .

⚠️ The supporting documents should reflect the situation at the moment you sign this declaration. Please be aware that additional evidence may also be requested later on, in case there are open questions about your ownership/control status.

⚠️ Please note that the information in this declaration may be reused in case you apply to other EU calls that have ownership/control restrictions.)

DECLARATION ON OWNERSHIP AND CONTROL	
Participant	
Legal name:	National Cyber and Information Security Agency
PIC:	907198418
Legal registration number:	05800226
Place of establishment: <i>(country of registration; full address)</i>	Mučednická1125/31 616 00 Brno, Czech Republic
Headquarters	
Location of global headquarters/head office: <i>(full address)</i>	Mučednická1125/31 616 00 Brno, Czech Republic
Location of the executive management structure: <i>(if different from the location of global headquarters/head office; full address)</i>	
<i>'Executive management structure' means a body appointed in accordance with national law, and, where applicable, reporting to the chief executive officer, which is empowered to establish the strategy, objectives and overall direction, and who oversees and monitors management decision-making.</i>	
Listed, subsidiary or controlled	
<i>Supporting documents: report/minutes of the last three shareholders meetings, for each of the listed companies.</i>	
Are you listed on a stock exchange?	No
Are you a subsidiary of a listed company?	No
Are you controlled by a listed company?	No
<i>If the reply is YES to any of these three questions, please provide:</i>	
Which stock exchange?	
Legal name of the listed company:	
Share of the float in the total outstanding shares:	
<i>'Floating stock' is the result of subtracting closely-held shares from the total number of issued shares. It represents the portion available for unrestricted trade on a regulated stock market.</i>	


Ownership structure and specific rights

In the table below, detail any owners that:

- detain, directly or indirectly, at least 5% in the capital or at least 5% of the voting rights, including through any content, understanding, relationship^[1] or/and intermediary
- have one or more of the following specific rights in relation to their ownership:
 - right to veto a transfer of shares
 - pre-emption rights
 - right to purchase additional shares or investment subject to conditions
 - right to sell shares (only for owners that are not established in eligible countries (i.e. legal entity) or do not have the nationality of one of the eligible countries (i.e. individual) and holding more than 5% of the voting rights).

Supporting documents:

- commercial registry extracts, shareholders book or a declaration signed by the legal representative of the organisation and any other relevant document containing clear mention of the shareholders and their percentage of interest/voting rights.
- shareholders' agreement, memorandum of understanding among shareholders, statutes, articles of association or other relevant documents regarding the decision-making procedures within the legal entity, investment agreements between the shareholders, etc.
- If there are legal persons as shareholders^[2], please provide also a graph describing the different ownership layers/chain of control until the ultimate owners.

 The supporting documents must show the complete ownership structure, for the entity and all its layers of ownership, up to the ultimate owners and should reflect the situation at the moment you sign this declaration.

^[1] This includes voting agreements between shareholders that would together have more than 5% of the voting rights or 5% of the capital.

^[2] Detaining at least 5% in the capital or at least 5% of the voting rights.

Owner name	Country of establishment/ or nationality	How is the ownership/control held		Specific rights attached to shares
		by share [%]	by voting right [%]	


Corporate governance

Describe briefly:

- the decision-making bodies, their composition as well as their nationality or place of establishment (where applicable);
- the rules regarding election, appointment, nomination or tenure of members of the decision-making bodies or other management positions;
- the decision-making procedures, including information regarding the required majority and/or quorum needed for decisions.

Supporting documents: Documents establishing/describing the decision-making bodies, rules regarding election, appointment, nomination or tenure, decision-making procedures within the legal entity (e.g. articles of association bylaws, reports on corporate governance, etc).

You can refer to specific sections of your supporting documents.

 The same documents and information should be provided for each intermediate legal entity holding directly or indirectly 5% or more of the capital or voting rights, up to the ultimate owners of all the layers involved.

Insert text

Control

Commercial links conferring control

List individuals or legal entities with whom you (or your owners, including intermediate layers until the ultimate owners) have a commercial relationship that (1) leads to a similar level of control on management and resources as the ownership of shares or assets and (2) is of very long duration (e.g. very important long-term supply agreements or credits provided by suppliers/customers, coupled with structural links).

Supporting documents: cooperation agreements with the customer or supplier, etc.

Name	Country of establishment/ or nationality	Commercial link type (Supplier, customer, etc...)	Indicative amount

Financial links conferring control

List individuals or legal entities (including controlling shareholders/owners) from whom you (or your owners) are financially dependent in a way that could allow them to obtain concessions in strategic business areas.

Supporting documents: loan documents, by-laws, documents showing the link; etc.

Name	Country of establishment/ or nationality	Financial link type	Indicative amount

Other sources of control

Indicate if there is any other mean, process or link ultimately conferring control to another country entity (similar level of control on management and resources as the ownership of shares or assets and of long duration).

Supporting documents: documents showing the control

Insert text

DECLARATION (control)

We hereby confirm that:

- 1) our organisation is **subject to control** by an ineligible country or ineligible country entity
- 2) the present declaration is true and sincere
- 3) the information regarding ownership and control is accurate and reliable
- 4) if needed, we will provide guarantees to prove compliance with the requirements set out in the call conditions.

DECLARATION (no control)

We hereby confirm that:

- 1) our organisation is **NOT subject to control** by an ineligible country or ineligible country entity
- 2) the present declaration is true and sincere
- 3) the information regarding ownership and control is accurate and reliable
- 4) to the best of our knowledge, there are no other arrangements or coordination between shareholders from ineligible countries that would together exercise control
- 5) to the best of our knowledge, there are no other financial or commercial links with ineligible countries or ineligible county entities conferring control

6) we are aware that false declarations may lead to proposal rejection/grant termination and to administrative sanctions under Articles 135 to 145 of the [EU Financial Regulation 2018/1046](#).

<input type="checkbox"/>	DECLARATION (no change)
--------------------------	--------------------------------

We hereby confirm that:

- 1) there has been no change in our organisation's ownership and control situation compared to the last declaration/assessment procedure by the EU services
- 2) the present declaration is true and sincere
- 3) if needed, we will provide guarantees to prove compliance with the requirements set out in the call conditions.

Last declaration/assessment:	[mm/YYYY (date of request of supporting documents by the EU services)]
------------------------------	------------------------------------------------------------------------

Project name and acronym:	[project title] — [acronym]
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SIGNATURE OF THE AUTHORISED PERSON

Name and function:	
Date of signature:	
Signature and stamp:	

GUARANTEES

(Guarantee declaration to be filled in and signed by the controlled participants (beneficiaries, affiliated entities, associated partners and subcontractors involved in the action).

Approval to be filled in and signed by the competent authority..

All documents must then be assembled by the coordinator and uploaded in a single file, either in the Portal Submission System as part of the application or during grant agreement preparation.

⚠ For HE actions, approval is also a requirement, but applicants do not need to submit it as part of their documents; submission of the guarantee declaration is sufficient. Where approval is needed, the granting authority will contact the competent authorities. If the competent authorities are not in a position to approve the guarantees, the participants cannot participate.

⚠ For some CEF Digital topics, guarantees are required for all participants, independently of their ownership control situation. These topics are identified in the CEF Digital Work Programme and in the Call document.)

GUARANTEES	
Participant:	National Cyber and Information Security Agency (NCISA)
PIC number:	907198418
Project name and acronym:	Building Testing and Certification Capabilities in the Czech Republic — TEST-CERT-CZ
EU funding programme:	Digital Europe (DEP)
MEASURES PUT IN PLACE	
<p><i>Provide a short description to substantiate the measures put in place in order to ensure that your involvement does not contravene the EU security, defence or public order interests or the objectives of the EU programme, and in particular that :</i></p> <ul style="list-style-type: none"> – control over the participant is not exercised in a manner that: <ul style="list-style-type: none"> – restrains, restricts or compromises its capacity to carry out the action and to deliver results – imposes restrictions concerning infrastructure, facilities, assets, resources, intellectual property or knowhow needed for the action – access by ineligible countries/ineligible country entities to sensitive information relating to the action is prevented and the employees or other persons involved in the action have adequate security clearance, where appropriate – ownership of the intellectual property arising from, and the other results of, the action: <ul style="list-style-type: none"> – remain within the participant during and after the end of the action – are not subject to control or restriction by the ineligible countries/ineligible country entities – are not transferred/exported from outside the eligible countries or by ineligible entities without the approval of the eligible country in which the participant is established and in accordance with the objectives of the EU funding programme – for CEF Digital: the cybersecurity requirements that apply in the Member State with the strictest rules (compared to the other Member States where infrastructure is deployed) are complied with. 	
Control	
<p>NCISA was established by the government to fulfil tasks in the public interest of both the Czech Republic and the EU. We are subject to control as a public body through the standard mechanisms in the area of accepting and distributing public finances on the national and European level.</p>	
Access to sensitive information	
<p>NCISA has the adequate security clearance for handling sensitive and classified information. NCISA will ensure that the personell working on the project will be specifically aware of their obligations. The respective heads of units have the national/EU security clearance. At this point, we do not expect to work with classified information, sensitive information will only be used in certain areas of the project. NCISA has strict information handling policies and mechanisms to ensure protection of information and data.</p>	

IPR/results of the action

NCISA will not share the results of the projects with countries/partners which are not legible to receive them.

Cybersecurity (for CEF Digital)

N/A

GUARANTEE DECLARATION

We hereby confirm that:

- 1) our involvement will not contravene
 - the following interests, as described in the call conditions:
 - for DEP: security or EU strategic autonomy
 - for HE: strategic interests of the EU and its Member States
 - for EDF: security and defence interests of the EU and its Member States in the framework of the CFSP pursuant to Title V TEU
 - for CEF Digital: security
 - the objectives of the EU funding programme

and that

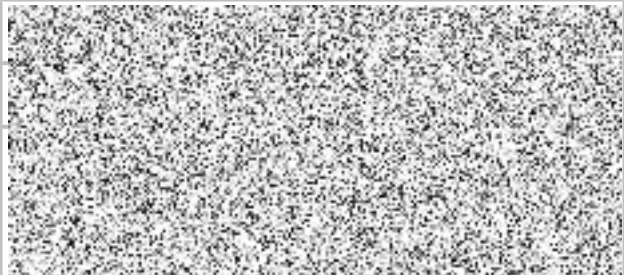
- 2) we have put in place all necessary measures to avoid issues such as concerning control, access to sensitive information and results, including IPR, as set out in the call conditions
- 3) for EDF: the guarantees comply with Articles 20 and 23 of the EDF Regulation.





SIGNATURE OF THE AUTHORISED PERSON

Name and function:

Date of signature:

Signature and stamp:



COMPETENT AUTHORITY	
Competent authority:	National Cyber and Information Security Agency (NCISA)
Department:	Research and Development Unit
Contact person:	
Legal address:	Mučednická 1125/31 616 00 Brno, Czech Republic 
APPROVAL OF THE GUARANTEES	
Name of the project for which the approval is requested:	Building Testing and Certification Capabilities in the Czech Republic — TEST-CERT-CZ
Participant:	National Cyber and Information Security Agency (NCISA)
On the basis of the guarantees provided, we can confirm that:	
<p>1) the involvement of the participant would not contravene:</p> <ul style="list-style-type: none"> – the following interests, as described in the call conditions: <ul style="list-style-type: none"> – for DEP: security or EU strategic autonomy – for HE: strategic interests of the EU and its Member States – for EDF: security and defence interests of the EU and its Member States in the framework of the CFSP pursuant to Title V TEU – for CEF Digital: security or – the objectives of the EU funding programme <p>and that</p> <p>2) they have put in place the necessary measures to avoid issues such as concerning control, access to sensitive information and results, including IPR, as set out in the call conditions</p> <p>3) for EDF: the guarantees comply with Articles 20 and 23 of the EDF Regulation.</p>	
Comments	
<i>Justify why you consider that the guarantees fulfil the necessary standards..</i>	
NCISA is the national authority for cyber security in the Czech Republic. Its role as the the NCC-CZ was approved by the Czech Government and the European Commission. All the employees that would work for the NCC have the adequate security clearance and will comply with best practices regarding information security.	
Additional comments (optional)	
Insert text	
SIGNATURE OF THE AUTHORISED PERSON	
Name and function:	
Date of signature:	

Signature and stamp:	
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HISTORY OF CHANGES		
VERSION	PUBLICATION DATE	CHANGE
1.0	15.07.2021	Initial version (new MFF)
1.1	18.08.2021	Exemption for entities validated as public bodies (instructions).
2.0	01.05.2022	Template aligned with new guidance document. Extension of the obligation to associated partners for EDF. New declaration on no changes. New templates for guarantees and approvals.

OWNERSHIP CONTROL DECLARATION

(To be filled in by the project participants as part of the application. All declarations must be assembled by the coordinator and uploaded in a single file in the Portal Submission System.

All participants (beneficiaries, affiliated entities, subcontractors and associated partners) must fill out the form. Entities that are validated as public bodies by the Central Validation Service do not have to fill in the form but will automatically be considered as controlled by their country.

Supporting documents do not have to be provided at application stage, but will be requested later on. You will receive a task notification asking you to upload the documents to your PIC account in the Portal Participant Register .

⚠️ The supporting documents should reflect the situation at the moment you sign this declaration. Please be aware that additional evidence may also be requested later on, in case there are open questions about your ownership/control status.

⚠️ Please note that the information in this declaration may be reused in case you apply to other EU calls that have ownership/control restrictions.)

DECLARATION ON OWNERSHIP AND CONTROL	
Participant	
Legal name:	CyberSecurity Hub, z. ú.
PIC:	889292509
Legal registration number:	09705163
Place of establishment: <i>(country of registration; full address)</i>	Šumavská 416/15, Ponava 602 00 Brno, Czech Republic
Headquarters	
Location of global headquarters/head office: <i>(full address)</i>	Šumavská 416/15, Ponava 602 00 Brno, Czech Republic
Location of the executive management structure: <i>(if different from the location of global headquarters/head office; full address)</i>	
<i>'Executive management structure' means a body appointed in accordance with national law, and, where applicable, reporting to the chief executive officer, which is empowered to establish the strategy, objectives and overall direction, and who oversees and monitors management decision-making.</i>	
Listed, subsidiary or controlled	
<i>Supporting documents: report/minutes of the last three shareholders meetings, for each of the listed companies.</i>	
Are you listed on a stock exchange?	No
Are you a subsidiary of a listed company?	No
Are you controlled by a listed company?	No
<i>If the reply is YES to any of these three questions, please provide:</i>	
Which stock exchange?	
Legal name of the listed company:	
Share of the float in the total outstanding shares:	

'Floating stock' is the result of subtracting closely-held shares from the total number of issued shares. It represents the portion available for unrestricted trade on a regulated stock market.


Ownership structure and specific rights

In the table below, detail any owners that:

- detain, directly or indirectly, at least 5% in the capital or at least 5% of the voting rights, including through any content, understanding, relationship^[1] or/and intermediary
- have one or more of the following specific rights in relation to their ownership:
 - right to veto a transfer of shares
 - pre-emption rights
 - right to purchase additional shares or investment subject to conditions
 - right to sell shares (only for owners that are not established in eligible countries (i.e. legal entity) or do not have the nationality of one of the eligible countries (i.e. individual) and holding more than 5% of the voting rights).

Supporting documents:

- commercial registry extracts, shareholders book or a declaration signed by the legal representative of the organisation and any other relevant document containing clear mention of the shareholders and their percentage of interest/voting rights.
- shareholders' agreement, memorandum of understanding among shareholders, statutes, articles of association or other relevant documents regarding the decision-making procedures within the legal entity, investment agreements between the shareholders, etc.
- If there are legal persons as shareholders^[2], please provide also a graph describing the different ownership layers/chain of control until the ultimate owners.

 The supporting documents must show the complete ownership structure, for the entity and all its layers of ownership, up to the ultimate owners and should reflect the situation at the moment you sign this declaration.

^[1] This includes voting agreements between shareholders that would together have more than 5% of the voting rights or 5% of the capital.

^[2] Detaining at least 5% in the capital or at least 5% of the voting rights.

Owner name	Country of establishment/ or nationality	How is the ownership/control held		Specific rights attached to shares
		by share [%]	by voting right [%]	
Masaryk University (MU)	Czech Republic	33		
Brno University of Technology (BUT)	Czech Republic	33		
Czech Technical University (CTU)	Czech Republic	33		


Corporate governance

Describe briefly:


- the decision-making bodies, their composition as well as their nationality or place of establishment (where applicable);
- the rules regarding election, appointment, nomination or tenure of members of the decision-making bodies or other management positions;
- the decision-making procedures, including information regarding the required majority and/or quorum needed for decisions.

Supporting documents: Documents establishing/describing the decision-making bodies, rules regarding election, appointment, nomination or tenure, decision-making procedures within the legal entity (e.g. articles of association bylaws, reports on corporate governance, etc).

You can refer to specific sections of your supporting documents.

 The same documents and information should be provided for each intermediate legal entity holding directly or indirectly 5% or more of the capital or voting rights, up to the ultimate owners of all the layers involved.

In accordance with the Statute of the Institute, the Director is the statutory body of the Institute, who manages its activities, acts on its behalf and makes decisions in all matters not within the competence of the

Management Board. Acting on behalf of the Institute falling within his competence, the Director is authorised to act independently. The Director is appointed by the Management board, which represents the founding institutions of the Institute. The current Director is 

The Management Board approves the budget of the Institute; the ordinary and extraordinary financial statements; the annual report. It also decides on a dissolution of the Institute; issuance of the Statutes and amendments thereto; the appointment and removal of the Director and the fixing of his salary; the distribution of the economic result; remuneration of the members of the Management Board and the Director in relation to the economic result the Institute; start-up of a commercial establishment or other ancillary activity of the Institute; change of the Institute's registered office; membership of a representative of the professional community on the Management board; membership on the advisory body of the Management Board; the amount of remuneration for the members of the Supervisory Board and the Management Board, provided that the amount of remuneration must be appropriate the state of the Institute's finances. The decision to dissolve the Institute requires the consent of all the founders. The prior approval of the Board of Trustees is only required for the legal action by which the Institute acquires or loses ownership of immovable property; encumbers its own immovable property; acquires or disposes of a copyright or industrial or establishes another legal person or participates in such person by contribution. The unanimous decision of the Management Board is required to adopt of a resolution to dissolve the Institute; adopt a decision to approve the statutes; approve the Institute's budget and amendments thereto; decide on the distribution of the economic result.



Details about the composition and roles of decision-making bodies including current version of the Statute are available in commercial register online at: <https://or.justice.cz/ias/ui/rejstrik-firma.vysledky?subjektId=1102363>.

Control

Commercial links conferring control

List individuals or legal entities with whom you (or your owners, including intermediate layers until the ultimate owners) have a commercial relationship that (1) leads to a similar level of control on management and resources as the ownership of shares or assets and (2) is of very long duration (e.g. very important long-term supply agreements or credits provided by suppliers/customers, coupled with structural links).

Supporting documents: cooperation agreements with the customer or supplier, etc.


Name	Country of establishment/ or nationality	Commercial link type (Supplier, customer, etc...)	Indicative amount

Financial links conferring control

List individuals or legal entities (including controlling shareholders/owners) from whom you (or your owners) are financially dependent in a way that could allow them to obtain concessions in strategic business areas.

Supporting documents: loan documents, by-laws, documents showing the link; etc.

Name	Country of establishment/ or nationality	Financial link type	Indicative amount

Other sources of control	
<p>Indicate if there is any other mean, process or link ultimately conferring control to another country entity (similar level of control on management and resources as the ownership of shares or assets and of long duration).</p> <p>Supporting documents: documents showing the control</p>	
Insert text	
<input type="checkbox"/>	DECLARATION (control)
<p>We hereby confirm that:</p> <ul style="list-style-type: none"> 5) our organisation is subject to control by an ineligible country or ineligible country entity 6) the present declaration is true and sincere 7) the information regarding ownership and control is accurate and reliable 8) if needed, we will provide guarantees to prove compliance with the requirements set out in the call conditions. 	
<input checked="" type="checkbox"/>	DECLARATION (no control)
<p>We hereby confirm that:</p> <ul style="list-style-type: none"> 7) our organisation is NOT subject to control by an ineligible country or ineligible country entity 8) the present declaration is true and sincere 9) the information regarding ownership and control is accurate and reliable 10) to the best of our knowledge, there are no other arrangements or coordination between shareholders from ineligible countries that would together exercise control 11) to the best of our knowledge, there are no other financial or commercial links with ineligible countries or ineligible county entities conferring control 12) we are aware that false declarations may lead to proposal rejection/grant termination and to administrative sanctions under Articles 135 to 145 of the EU Financial Regulation 2018/1046. 	
<input checked="" type="checkbox"/>	DECLARATION (no change)
<p>We hereby confirm that:</p> <ul style="list-style-type: none"> 4) there has been no change in our organisation's ownership and control situation compared to the last declaration/assessment procedure by the EU services 5) the present declaration is true and sincere 6) if needed, we will provide guarantees to prove compliance with the requirements set out in the call conditions. 	
Last declaration/assessment:	7/2022
Project name and acronym:	Cybersecurity Innovation Hub - CIH
SIGNATURE OF THE AUTHORISED PERSON	
Name and function:	
Date of signature:	
Signature and stamp:	

GUARANTEES

(Guarantee declaration to be filled in and signed by the controlled participants (beneficiaries, affiliated entities, associated partners and subcontractors involved in the action).

Approval to be filled in and signed by the competent authority..

All documents must then be assembled by the coordinator and uploaded in a single file, either in the Portal Submission System as part of the application or during grant agreement preparation.

⚠ For HE actions, approval is also a requirement, but applicants do not need to submit it as part of their documents; submission of the guarantee declaration is sufficient. Where approval is needed, the granting authority will contact the competent authorities. If the competent authorities are not in a position to approve the guarantees, the participants cannot participate.

⚠ For some CEF Digital topics, guarantees are required for all participants, independently of their ownership control situation. These topics are identified in the CEF Digital Work Programme and in the Call document.)

GUARANTEES	
Participant:	CyberSecurity Hub, z. ú. (CSH)
PIC number:	889292509
Project name and acronym:	Building Testing and Certification Capabilities in the Czech Republic — TEST-CERT-CZ
EU funding programme:	Digital Europe (DEP)
MEASURES PUT IN PLACE	
<p><i>Provide a short description to substantiate the measures put in place in order to ensure that your involvement does not contravene the EU security, defence or public order interests or the objectives of the EU programme, and in particular that :</i></p> <ul style="list-style-type: none"> – control over the participant is not exercised in a manner that: <ul style="list-style-type: none"> – restrains, restricts or compromises its capacity to carry out the action and to deliver results – imposes restrictions concerning infrastructure, facilities, assets, resources, intellectual property or knowhow needed for the action – access by ineligible countries/ineligible country entities to sensitive information relating to the action is prevented and the employees or other persons involved in the action have adequate security clearance, where appropriate – ownership of the intellectual property arising from, and the other results of, the action: <ul style="list-style-type: none"> – remain within the participant during and after the end of the action – are not subject to control or restriction by the ineligible countries/ineligible country entities – are not transferred/exported from outside the eligible countries or by ineligible entities without the approval of the eligible country in which the participant is established and in accordance with the objectives of the EU funding programme – <i>for CEF Digital: the cybersecurity requirements that apply in the Member State with the strictest rules (compared to the other Member States where infrastructure is deployed) are complied with.</i> 	
Control	
<p>CSH is a Czech Institute founded by Czech universities, it is not controlled from abroad, nor does it have any relevant links abroad. The Institute is an independent legal entity governed by a statutory body, which is the Director of the Institute.</p>	
Access to sensitive information	
<p>No non-public information related to the project can be accessed by any foreign entities. CSH has strict information handling rules, risk management policies and other mechanisms in place to ensure maximum protection of information and data.</p>	

IPR/results of the action

None of the non-public project results will be shared with any foreign entity.

Cybersecurity (for CEF Digital)

CSH has a risk policy and a cyber security risk analysis in place to prevent the risk of loss, damage, compromise or compromise of data and information. CSH has also put in place technical and organisational measures to mitigate identified risks and ensure the protection of these assets.

GUARANTEE DECLARATION

We hereby confirm that:

- 4) our involvement will not contravene
 - the following interests, as described in the call conditions:
 - for DEP: security or EU strategic autonomy
 - for HE: strategic interests of the EU and its Member States
 - for EDF: security and defence interests of the EU and its Member States in the framework of the CFSP pursuant to Title V TEU
 - for CEF Digital: security
 - the objectives of the EU funding programmeand that
- 5) we have put in place all necessary measures to avoid issues such as concerning control, access to sensitive information and results, including IPR, as set out in the call conditions
- 6) for EDF: the guarantees comply with Articles 20 and 23 of the EDF Regulation.




SIGNATURE OF THE AUTHORISED PERSON

Name and function:

Date of signature:

Signature and stamp:



COMPETENT AUTHORITY	
Competent authority:	CyberSecurity Hub, z. ú. (CSH)
Department:	Cooperation and coordination unit
Contact person:	
Legal address:	Šumavská 416/15, Ponava 602 00 Brno, Czech Republic
APPROVAL OF THE GUARANTEES	
Name of the project for which the approval is requested:	Building Testing and Certification Capabilities in the Czech Republic — TEST-CERT-CZ
Participant:	Cybersecurity Hub, z.ú. (CSH)
<p>On the basis of the guarantees provided, we can confirm that:</p> <p>4) the involvement of the participant would not contravene:</p> <ul style="list-style-type: none"> – the following interests, as described in the call conditions: <ul style="list-style-type: none"> – for DEP: security or EU strategic autonomy – for HE: strategic interests of the EU and its Member States – for EDF: security and defence interests of the EU and its Member States in the framework of the CFSP pursuant to Title V TEU – for CEF Digital: security or – the objectives of the EU funding programme <p>and that</p> <p>5) they have put in place the necessary measures to avoid issues such as concerning control, access to sensitive information and results, including IPR, as set out in the call conditions</p> <p>6) for EDF: the guarantees comply with Articles 20 and 23 of the EDF Regulation.</p>	
<p>Comments</p> <p><i>Justify why you consider that the guarantees fulfil the necessary standards..</i></p> <p>All measures are aimed at maximum protection of processed information and ensure the impossibility of transferring any sensitive information to any entity outside the Czech Republic and the EU. CSH is an independent legal entity established in the Czech Republic by its exclusively Czech founders.</p>	
<p>Additional comments (optional)</p> <p>Insert text</p>	
SIGNATURE OF THE AUTHORISED PERSON	
Name and function:	
Date of signature:	

Signature and stamp:	
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HISTORY OF CHANGES		
VERSION	PUBLICATION DATE	CHANGE
1.0	15.07.2021	Initial version (new MFF)
1.1	18.08.2021	Exemption for entities validated as public bodies (instructions).
2.0	01.05.2022	Template aligned with new guidance document. Extension of the obligation to associated partners for EDF. New declaration on no changes. New templates for guarantees and approvals.

ANNEX 2

ESTIMATED BUDGET FOR THE ACTION

Estimated eligible ¹ costs (per budget category)											Estimated EU contribution ²				
Direct costs										Indirect costs	Total costs	EU contribution to eligible costs			Maximum grant amount ⁶
A. Personnel costs			B. Subcontracting costs	C. Purchase costs			D. Other cost categories		E. Indirect costs ³	Funding rate % ⁴		Maximum EU contribution ⁵	Requested EU contribution		
Forms of funding	A.1 Employees (or equivalent)		A.4 SME owners and natural person beneficiaries	B. Subcontracting	C.1 Travel and subsistence	C.2 Equipment	C.3 Other goods, works and services	D.1 Financial support to third parties	D.2 Internally invoiced goods and services	E. Indirect costs	Total costs	Funding rate % ⁴	Maximum EU contribution ⁵	Requested EU contribution	Maximum grant amount ⁶
	A.2 Natural persons under direct contract														
	A.3 Seconded persons														
	Actual costs	Unit costs (usual accounting practices)	Unit costs ⁷	Actual costs	Actual costs	Actual costs	Actual costs	Actual costs	Unit costs (usual accounting practices)	Flat-rate costs ⁸					
	a1	a2	a3	b	c1	c2	c3	d1	d2	e = flat-rate * (a1 + a2 + a3 + b + c1 + c2 + c3 + d1 + d2)	f = a + b + c + d + e	U	g = f * U%	h	m
1 - NCISA	168 300.00	0.00	0.00	0.00	3 000.00	4 000.00	13 000.00	500 000.00	0.00	48 181.00	736 481.00	100	736 481.00	721 921.00	721 921.00
1.1 - CSH	105 000.00	0.00	0.00	0.00	3 000.00	4 000.00	0.00	0.00	0.00	7 840.00	119 840.00	100	119 840.00	119 840.00	119 840.00
Σ consortium	273 300.00	0.00	0.00	0.00	6 000.00	8 000.00	13 000.00	500 000.00	0.00	56 021.00	856 321.00		856 321.00	841 761.00	841 761.00

¹ See Article 6 for the eligibility conditions. All amounts must be expressed in EUR (see Article 21 for the conversion rules).

² The consortium remains free to decide on a different internal distribution of the EU funding (via the consortium agreement; see Article 7).

³ Indirect costs already covered by an operating grant (received under any EU funding programme) are ineligible (see Article 6.3). Therefore, a beneficiary/affiliated entity that receives an operating grant during the action duration cannot declare indirect costs for the year(s)/reporting period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action. This requires specific accounting tools. Please immediately contact us via the EU Funding & Tenders Portal for details.

⁴ See Data Sheet for the funding rate(s).

⁵ This is the theoretical amount of the EU contribution to costs, if the reimbursement rate is applied to all the budgeted costs. This theoretical amount is then capped by the 'maximum grant amount'.

⁶ The 'maximum grant amount' is the maximum grant amount decided by the EU. It normally corresponds to the requested grant, but may be lower.

⁷ See Annex 2a 'Additional information on the estimated budget' for the details (units, cost per unit).

⁸ See Data Sheet for the flat-rate.

ANNEX 2a

ADDITIONAL INFORMATION ON UNIT COSTS AND CONTRIBUTIONS

SME owners/natural person beneficiaries without salary

See [*Additional information on unit costs and contributions \(Annex 2a and 2b\)*](#)

ANNEX 4 DIGITAL EUROPE MGA — MULTI + MONO

FINANCIAL STATEMENT FOR [PARTICIPANT NAME] FOR REPORTING PERIOD [NUMBER]

Eligible ¹ costs (per budget category)											EU contribution ²				Revenues		
Direct costs										Indirect costs	Total costs	EU contribution to eligible costs			Total requested EU contribution	Income generated by the action	
A. Personnel costs		B. Subcontracting costs	C. Purchase costs			D. Other cost categories			E. Indirect costs ²	Funding rate % ³		Maximum EU contribution ⁴	Requested EU contribution				
Forms of funding	A.1 Employees (or equivalent)	A.4 SME owners and natural person beneficiaries	B. Subcontracting	C.1 Travel and subsistence	C.2 Equipment	C.3 Other goods, works and services	D.X Financial support to third parties	D.2 Internally invoiced goods and services	[OPTION for PAC Grants for Procurement: D.3 PAC procurement costs]	E. Indirect costs	Total costs	Funding rate % ³	Maximum EU contribution ⁴	Requested EU contribution	Total requested EU contribution	Income generated by the action	
	A.2 Natural persons under direct contract	A.3 Seconded persons	Actual costs	Unit costs (usual accounting practices)	Unit costs ⁵	Actual costs	Actual costs	Actual costs	Actual costs	Actual costs							Unit costs (usual accounting practices)
	a1	a2	a3	b	c1	c2	c3	d1a	d2	[d3]	e = flat-rate * (a1 + a2 + a3 + b + c1 + c2 + c3 + d1a + d2 (+ d3))	f = a+b+c+d+e	U	g = f*U%	h	m	n
XX – [short name beneficiary/affiliated entity]																	

The beneficiary/affiliated entity hereby confirms that:
 The information provided is complete, reliable and true.
 The costs and contributions declared are eligible (see Article 6).
 The costs and contributions can be substantiated by adequate records and supporting documentation that will be produced upon request or in the context of checks, reviews, audits and investigations (see Articles 19, 20 and 25).
 For the last reporting period: that all the revenues have been declared (see Article 22).

¹ Please declare all eligible costs and contributions, even if they exceed the amounts indicated in the estimated budget (see Annex 2). Only amounts that were declared in your individual financial statements can be taken into account later on, in order to replace costs/contributions that are found to be ineligible.

² See Article 6 for the eligibility conditions. All amounts must be expressed in EUR (see Article 21 for the conversion rules).

³ If you have also received an EU operating grant during this reporting period, you cannot claim indirect costs - unless you can demonstrate that the operating grant does not cover any costs of the action. This requires specific accounting tools. Please contact us immediately via the Funding & Tenders Portal for details.

⁴ See Data Sheet for the reimbursement rate(s).

⁵ This is the *theoretical* amount of EU contribution to costs that the system calculates automatically (by multiplying the reimbursement rates by the costs declared). The amount you request (in the column 'requested EU contribution') may be less.

⁶ See Annex 2a 'Additional information on the estimated budget' for the details (units, cost per unit).

⁷ See Data Sheet for the flat-rate.

ANNEX 5

SPECIFIC RULES

CONFIDENTIALITY AND SECURITY (— ARTICLE 13)

Sensitive information with security recommendation

Sensitive information with a security recommendation must comply with the additional requirements imposed by the granting authority.

Before starting the action tasks concerned, the beneficiaries must have obtained all approvals or other mandatory documents needed for implementing the task. The documents must be kept on file and be submitted upon request by the coordinator to the granting authority. If they are not in English, they must be submitted together with an English summary.

For requirements restricting disclosure or dissemination, the information must be handled in accordance with the recommendation and may be disclosed or disseminated only after written approval from the granting authority.

EU classified information

If EU classified information is used or generated by the action, it must be treated in accordance with the security classification guide (SCG) and security aspect letter (SAL) set out in Annex 1 and Decision 2015/444¹ and its implementing rules — until it is declassified.

Deliverables which contain EU classified information must be submitted according to special procedures agreed with the granting authority.

Action tasks involving EU classified information may be subcontracted only with prior explicit written approval from the granting authority and only to entities established in an EU Member State or in a non-EU country with a security of information agreement with the EU (or an administrative arrangement with the Commission).

EU classified information may not be disclosed to any third party (including participants involved in the action implementation) without prior explicit written approval from the granting authority.

ETHICS (— ARTICLE 14)

Ethics

Actions involving activities raising ethics issues must be carried out in compliance with:

- ethical principles

¹ Commission Decision 2015/444/EC, Euratom of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

and

- applicable EU, international and national law, including the EU Charter of Fundamental Rights and the European Convention for the Protection of Human Rights and Fundamental Freedoms and its Supplementary Protocols.

The beneficiaries must pay particular attention to the principle of proportionality, the right to privacy, the right to the protection of personal data, the right to the physical and mental integrity of persons, the right to non-discrimination, the need to ensure protection of the environment and high levels of human health protection.

Before the beginning of an action task raising an ethical issue, the beneficiaries must have obtained all approvals or other mandatory documents needed for implementing the task, notably from any (national or local) ethics committee or other bodies such as data protection authorities.

The documents must be kept on file and be submitted upon request by the coordinator to the granting authority. If they are not in English, they must be submitted together with an English summary, which shows that the documents cover the action tasks in question and includes the conclusions of the committee or authority concerned (if any).

INTELLECTUAL PROPERTY RIGHTS (IPR) — BACKGROUND AND RESULTS — ACCESS RIGHTS AND RIGHTS OF USE (— ARTICLE 16)

Definitions

Access rights — Rights to use results or background.

Dissemination — The public disclosure of the results by appropriate means, other than resulting from protecting or exploiting the results, including by scientific or professional publications in any medium.

Exploit(ation) — The use of results in further innovation and deployment activities other than those covered by the action concerned, including among other things, commercial exploitation such as developing, creating, manufacturing and marketing a product or process, creating and providing a service, or in standardisation activities.

Fair and reasonable conditions — Appropriate conditions, including possible financial terms or royalty-free conditions, taking into account the specific circumstances of the request for access, for example the actual or potential value of the results or background to which access is requested and/or the scope, duration or other characteristics of the exploitation envisaged.

List of background — Background free from restrictions

The beneficiaries must, where industrial and intellectual property rights (including rights of third parties) exist prior to the Agreement, establish a list of these pre-existing industrial and intellectual property rights, specifying the rights owners.

The coordinator must — before starting the action — submit this list to the granting authority.

Where the call conditions restrict participation or control due to security or EU strategic autonomy reasons, background that is subject to control or other restrictions by a country (or entity from a country) which is not one of the eligible countries or target countries set out in the call conditions and that impact the results (i.e. would make the results subject to control or restrictions) must not be used and must be explicitly excluded in the list of background — unless otherwise agreed with the granting authority.

Results free from restrictions

Where the call conditions restrict participation or control due to security or EU strategic autonomy reasons, the beneficiaries must ensure that the results of the action are not subject to control or other restrictions by a country (or entity from a country) which is not one of the eligible countries or target countries set out in the call conditions — unless otherwise agreed with the granting authority.

Ownership of results

Results are owned by the beneficiaries that generate them (unless the consortium agreement specifies another ownership regime).

Protection of results

The beneficiaries must adequately protect their results — for an appropriate period and with appropriate territorial coverage — if protection is possible and justified, taking into account all relevant considerations, including the prospects for commercial exploitation, legitimate interests of the other beneficiaries and any other legitimate interests.

Exploitation of results

Beneficiaries must — up to four years after the end of the action (see Data Sheet, Point 1) — use their best efforts to exploit their results directly or to have them exploited indirectly by another entity, in particular through transfer or licensing.

Where the call conditions restrict participation or control due to security or EU strategic autonomy reasons (and unless otherwise agreed with the granting authority), the beneficiaries must produce a significant amount of products, services or processes that incorporate results of the action or that are produced through the use of results of the action in the eligible countries or target countries set out in the call conditions.

Where the call conditions impose moreover a first exploitation obligation, the first exploitation must also take place in the eligible countries or target countries set out in the call conditions.

The beneficiaries must ensure that these obligations also apply to their affiliated entities, associated partners, subcontractors and recipients of financial support to third parties.

Transfers and licensing of results

Where the call conditions restrict participation or control due to security or EU strategic autonomy reasons, the beneficiaries may not transfer ownership of their results or grant licences to third parties which are established in countries which are not eligible countries or target countries set out in the call conditions (or are controlled by such countries or entities

from such countries) — unless they have requested and received prior approval by the granting authority.

The request must:

- identify the specific results concerned
- describe in detail the new owner and the planned or potential exploitation of the results and
- include a reasoned assessment of the likely impact of the transfer or license on the security interests or EU strategic autonomy .

The granting authority may request additional information.

The beneficiaries must ensure that their obligations under the Agreement are passed on to the new owner and that this new owner has the obligation to pass them on in any subsequent transfer.

Access rights — Additional rights of use

Rights of use of the granting authority on results for information, communication, publicity and dissemination purposes

The granting authority also has the right to exploit non-sensitive results of the action for information, communication, dissemination and publicity purposes, using any of the following modes:

- **use for its own purposes** (in particular, making them available to persons working for the granting authority or any other EU service (including institutions, bodies, offices, agencies, etc.) or EU Member State institution or body; copying or reproducing them in whole or in part, in unlimited numbers; and communication through press information services)
- **distribution to the public** in hard copies, in electronic or digital format, on the internet including social networks, as a downloadable or non-downloadable file
- **editing** or **redrafting** (including shortening, summarising, changing, correcting, cutting, inserting elements (e.g. meta-data, legends or other graphic, visual, audio or text elements) extracting parts (e.g. audio or video files), dividing into parts or use in a compilation
- **translation**(including inserting subtitles/dubbing)in all official languages of EU
- **storage** in paper, electronic or other form
- **archiving** in line with applicable document-management rules
- the right to authorise **third parties** to act on its behalf or sub-license to third parties, including if there is licensed background, any of the rights or modes of exploitation set out in this provision
- **processing**, analysing, aggregating the results and **producing derivative works**

- **disseminating** the results in widely accessible databases or indexes (such as through ‘open access’ or ‘open data’ portals or similar repositories, whether free of charge or not).

The beneficiaries must ensure these rights of use for the whole duration they are protected by industrial or intellectual property rights.

If results are subject to moral rights or third party rights (including intellectual property rights or rights of natural persons on their image and voice), the beneficiaries must ensure that they comply with their obligations under this Agreement (in particular, by obtaining the necessary licences and authorisations from the rights holders concerned).

Access rights for the granting authority and EU institutions, bodies, offices or agencies to results for policy purposes

The beneficiaries must grant access to their results — on a royalty-free basis — to the granting authority, other EU institutions, bodies, offices or agencies, for developing, implementing and monitoring EU policies or programmes.

Such access rights are limited to non-commercial and non-competitive use.

Access rights for the granting authority to results in case of a public emergency

If requested by the granting authority in case of a public emergency, the beneficiaries must grant non-exclusive, world-wide licences to third parties — under fair and reasonable conditions — to use the results to address the public emergency.

Access rights for third parties to ensure continuity and interoperability

Where the call conditions impose continuity or interoperability obligations, the beneficiaries must make the results produced in the framework of the action available to the public (freely accessible on the Internet under open source licences).

COMMUNICATION, DISSEMINATION AND VISIBILITY (— ARTICLE 17)

Communication and dissemination plan

The beneficiaries must provide a detailed communication and dissemination plan, setting out the objectives, key messaging, target audiences, communication channels, social media plan, planned budget and relevant indicators for monitoring and evaluation.

Dissemination of results

The beneficiaries must disseminate their results as soon as feasible, in a publicly available format, subject to any restrictions due to the protection of intellectual property, security rules or legitimate interests.

They must upload the public **project results** to the Digital Europe Project Results platform, available through the Funding & Tenders Portal.

In addition, where the call conditions impose additional dissemination obligations, they must also comply with those.

Additional communication activities

The beneficiaries must engage in the following additional communication activities:

- **present the project** (including project summary, coordinator contact details, list of participants, European flag and funding statement and special logo and project results) on the beneficiaries' **websites** or **social media accounts**.

SPECIFIC RULES FOR CARRYING OUT THE ACTION (— ARTICLE 18)

Implementation in case of restrictions due to security or EU strategic autonomy

Where the call conditions restrict participation or control due to security or EU strategic autonomy reasons, the beneficiaries must ensure that none of the entities that participate as affiliated entities, associated partners, subcontractors or recipients of financial support to third parties are established in countries which are not eligible countries or target countries set out in the call conditions (or are controlled by such countries or entities from such countries) — unless otherwise agreed with the granting authority.

The beneficiaries must moreover ensure that any cooperation with entities established in countries which are not eligible countries or target countries set out in the call conditions (or are controlled by such countries or entities from such countries) does not affect the security interests or EU strategic autonomy and avoids potential negative effects over security of supply of inputs critical to the action.

Specific rules for PAC Grants for Procurement

When implementing innovative procurements in PAC Grants for Procurement, the beneficiaries must respect the following conditions:

- avoid any conflict of interest and comply with the principles of transparency, non-discrimination, equal treatment, sound financial management, proportionality and competition rules
- assign the ownership of the intellectual property rights under the contracts to the contractors (unless there are exceptional overriding public interests which are duly justified in Annex 1), with the right of the buyers to access results — on a royalty-free basis — for their own use and to grant (or to require the contractors to grant) non-exclusive licences to third parties to exploit the results for them — under fair and reasonable conditions — without any right to sub-license
- allow for all communications to be made in English (and any additional languages chosen by the beneficiaries)
- ensure that prior information notices, contract notices and contract award notices contain information on the EU funding and a disclaimer that the EU is not participating as contracting authority in the procurement
- allow for the award of multiple procurement contracts within the same procedure (multiple sourcing)
- for procurements involving classified information: apply the security rules set out in Annex 5 mutatis mutandis to the contractors and the background and results of the contracts

- where the call conditions restrict participation or control due to security or EU strategic autonomy reasons: apply the restrictions set out in Annex 5 mutatis mutandis to the contractors and the results under the contracts
- where the call conditions impose a place of performance obligation: ensure that the part of the activities that is subject to the place of performance obligation is performed in the eligible countries or target countries set out in the call conditions
- to ensure reciprocal level of market access: where the WTO Government Procurement Agreement (GPA) does not apply, ensure that the participation in tendering procedures is open on equal terms to bidders from EU Member States and all countries with which the EU has an agreement in the field of public procurement under the conditions laid down in that agreement, including all Horizon Europe associated countries. Where the WTO GPA applies, ensure that tendering procedures are also open to bidders from states that have ratified this agreement, under the conditions laid down therein.

Specific rules for Grants for Financial Support

When implementing financial support to third parties in Grants for Financial Support, the beneficiaries must respect the following conditions:

- avoid any conflict of interest and comply with the principles of transparency, non-discrimination and sound financial management
- for the selection procedure and criteria:
 - publish open calls widely (including on the Funding & Tenders Portal and the beneficiaries' websites)
 - keep open calls open for at least two months
 - inform recipients of call updates (if any) and the outcome of the call (list of selected projects, amounts and names of selected recipients)

Specific rules for JU actions

JU actions must contribute to the long-term implementation of the JU partnership, including the JU Strategic Research and Innovation Agenda, the JU objectives and the exploitation of research and innovation results.

Moreover, when implementing JU actions, the members and contributing partners of the Joint Undertaking must fulfil their obligations regarding contributions to the Joint Undertaking:

- the description of the action in Annex 1 must include, for beneficiaries, affiliated entities, associated partners or other participants or third parties which are members or contributing partners, the estimated contributions to the action, i.e.:
 - in-kind contributions to operational activities ('IKOP'; if applicable)
 - in-kind contributions to additional activities linked to the action ('IKAA'; if applicable)
 - financial contributions ('FC'; if applicable)

- the contributions must be reported during the implementation of the action in the Portal Continuous Reporting tool
- at the end of the action, the members and contributing partners that have not received funding under the grant must ensure that financial and in-kind contributions of EUR 430 000 or more (see Article 21) are supported by statements of contributions (CS) and certificates on the statements of contributions (CCS) which fulfil the following conditions:
 - be provided by a qualified approved external auditor which is independent and complies with Directive 2006/43/EC (or for public bodies: by a competent independent public officer)
 - the verification must be carried out according to the highest professional standards to ensure that the statements of contributions comply with the provisions under the Agreement and the applicable JU Regulation, that the contributions cover activities that are part of the action and that they have not been reimbursed by the grant
- contributions must comply with the following conditions:
 - costs covered by financial contributions cannot be claimed for reimbursement under the JU grant.

The beneficiaries must comply with the additional IPR, dissemination and exploitation obligations set out in the call conditions (Article 16 and Annex 5), in particular:

- for all JU grants: the granting authority right to object to transfers or licensing also applies to results generated by beneficiaries not having received funding under the grant.

In addition to the obligations set out in Article 17, communication and dissemination activities as well as infrastructure, equipment or major results funded under JU actions must moreover display the Joint Undertaking's special logo:



and the following text:

“The project is supported by the [insert JU name] and its members [*OPTION for actions with national contribution top-ups*: (including top-up funding by [name of the national funding authority])].”

For EuroHPC JU grants, the beneficiaries must respect the following conditions when implementing actions with national contribution top-ups from Participating States:

- the beneficiaries must ensure visibility of the national contributions (see below)

- the payment deadlines for prefinancing, interim or final payments are automatically suspended if a national funding authority is late with its payments to the Joint Undertaking for the national contribution top-up
- the European Anti-Fraud Office (OLAF), European Public Prosecutor's Office (EPPO), European Court of Auditors (ECA), the National Court of Auditors and other national authorities can exercise their control rights on the project implementation and costs declared, including for the national contribution top-up.

Specific rules for blending operations

When implementing blending operations, the beneficiaries acknowledge and accept that:

- the grant depends on the approved financing from the Implementing Partner and/or public or private investors for the project
- they must inform the granting authority both about the approval for financing and the financial close — within 15 days
- the payment deadline for the first prefinancing is automatically suspended until the granting authority is informed about the approval for financing
- both actions will be managed and monitored in parallel and in close coordination with the Implementing Partner, in particular:
 - all information, data and documents (including the due diligence by the Implementing Partner and the signed agreement) may be exchanged and may be relied on for the management of the other action (if needed)
 - issues in one action may impact the other (e.g. suspension or termination in one action may lead to suspension also of the other action; termination of the grant will normally suspend and exit from further financing and vice versa, etc.)
- the granting authority may disclose confidential information also to the Implementing Partner.



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