

COOPERATION PROGRAMME CENTRAL AND EASTERN EUROPE

EXPLANATORY NOTES ON THE “REGULATIONS FOR GRANTING SUBSIDIES FOR PROJECTS IN CENTRAL AND EASTERN EUROPE AND IN THE NEIGHBOURING COUNTRIES”

CALL FOR PROPOSALS 2009

**Important: first read the official regulations for
granting subsidies for projects in Central and Eastern
Europe and in the neighbouring countries**

What is the Cooperation Programme for Central and Eastern Europe?

The Flemish Cooperation Programme for Central and Eastern Europe is one of the instruments the Flemish Government created at the beginning of the nineties to establish and strengthen the bilateral relationships with the countries that had just left the ‘Eastern bloc’. Annually a considerable budget was allocated for financing projects between Flemish civil society (institutions, non-governmental organisations, municipal authorities, etc.) to establish a partnership with similar organisations in Central and Eastern Europe to support the latter in developing democracy and a free market economy.

These last few years the Flemish authorities have regularly shifted the geographical and thematic focus, but even after the accession of 10 Central European countries to the European Union they kept cooperating with the countries of Central and Eastern Europe in further constituting democratic societies, establishing a free market economy and a balanced social model.

The Flemish Government wants to give financial assistance to projects that aim at promoting the levels of prosperity and welfare in partner countries in Central and Eastern Europe and also establishing lasting cooperation ties.

Which are the countries Flanders cooperates with?

Since 2000 the Cooperation Programme has concentrated on the countries that were about to join the European Union. When, in 2004 (and in 2007), these countries had all acceded to the EU, the policy priorities of the Cooperation Programme kept being defined by the degree of convergence between the Central and Eastern European countries and the EU. On that basis the partner countries were classified according to three pillars:

Pillar 1: new member states: Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia

Pillar 2: Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro and Serbia

Pillar 3: Moldova and Ukraine

The budgetary allocation, the project objectives, general and financial conditions and procedures are all linked to this classification.

How big is the budget the Flemish authorities provide for this project financing?

For financing projects in 2009 the Flemish Foreign Affairs Department budget provides the following resources:

- Pillar 1: 1,170,000.00 euros for financial assistance to projects in the new member states;
- Pillar 2: 1,900,000.00 euros for projects in Croatia, Macedonia, Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo.
- Pillar 3: 450,000.00 euros for financial assistance to projects in the New Neighbours countries (in 2009 Ukraine and Moldova).

How will this budget be allocated among the countries? Are there any predetermined quotas?

- In pillar 1 no quotas are determined for the different countries. The submitted project proposals are ranked after evaluation and the best and most creative proposals will be financed within the available budget, irrespective of the country which they are meant for.
- In pillar 2: 700,000 euros is available for projects Croatia, 450,000 euros for Macedonia, 750,000 euros for the remaining countries of the Western Balkans. Within this budget no quotas are set for the different countries. The projects are ranked and the best and most creative proposals will be financed within the available budget.
- In pillar 3 a budget of 450,000 euros is available for projects in Ukraine and Moldova. Again, no quotas are set for each country. The submitted project proposals are ranked after evaluation and the best and most creative proposals will be financed within the available budget, irrespective of the country which they are meant for.

Course of the procedure filing a project application – evaluation – selection - subsidising

When can project proposals be submitted?

As in the past, Flemish promoters can submit project proposals for cooperation with partners from these Central and Eastern European (CEE) countries in 2009.

The call for proposals will be launched on 22 December 2008 and project proposals can be submitted until 31 March 2009 at the latest to the Flemish Foreign Affairs Department.

Who is eligible for applying for a project grant?

The programme is open to every enterprise, organisation or institution that has its operating headquarters within the borders of the Flemish region, or a Dutch speaking authority that is domiciled in Brussels, or a Flemish public institution.

Who has a right to a project grant?

Within the Cooperation Programme only optional subsidies are granted. That means that filing an application and meeting all formal requirements do not automatically lead to the applicant getting a grant. The entire procedure (call, filing an application, evaluation, selection, approval of the grant) serves to make a qualitative ranking of all project proposals. On the basis of that ranking and taking into account the available budget, projects are selected that are eligible for subsidization.

- Pillars 1 and 3: without previously determined quotas for individual countries;

- Pillar 2: within predefined quotas for each partner country, if those have been stipulated explicitly.

Subsidization of a project is only guaranteed from the moment the minister has signed the decision to grant the subsidy.

How much does the Flemish authorities' share in the project costs amount to?

Dependent on the geographical focus of the projects, the Flemish authorities are prepared to finance up to 50% or 85% of the total project costs.

- Pillar 1: up to 50% to the account of Flanders.
- Pillar 2: up to 85% at the expense of Flanders. The partners in the partner country should bear at least 15% of the total project costs.
- Pillar 3: up to 85% to the account of Flanders. The partners in the partner country should bear at least 15% of the total project costs.

BUT:

- For trilateral projects (or projects in which partners from more than one Central European country cooperate, the Flemish authorities contribution amounts to up to 50%. The remaining costs must be borne by the promoter and their partners. At least 15 % of the total project costs must be borne by the Central European partners. It is not important how the partners divide the 15% among themselves.
- Commercial promoters who wish to file an application should – on top of the partner country's contribution – bear at least 15% of the project costs themselves.
A commercial promoter is a Flemish promoter who operates under the legal status of an NV, bvba, cvba or VoF.

How to file an application?

For a project proposal to be submitted in a valid way and registered they should be submitted as follows:

- on the application forms that are put at your disposal for 2009, in English (except for the promoter's contact data and address), with all amounts indicated in euros. The promoter should copy the numerical data from the Excel tables 4.2. and 4.3. into the appropriate tables in the Word application form;
- by means of one hard copy (loose-leaf) of the completely filled in Word document, signed by the principal Flemish promoter, and one electronic version of the completely filled in Word document together with the filled in Excel tables;
- accompanied by a recent letter of intent from the Central European partner, stating explicitly the partner's commitment to execute and financially support the project. In the Letter of Intent the partner declares having been informed about and agreeing to the entire project description and the regulations. The administration should have received the original Letter of Intent at the moment the project proposal is being evaluated (or the application will be rejected as inadmissible);
- to the Flemish Foreign Affairs Department (Aan afdeling Buitenlandse Zaken, Departement internationaal Vlaanderen, Boudewijngebouw, Boudewijnlaan 30, 1000 Brussel, e-mail projecten-bcoe@vlaanderen.be) before the final application date.
- Projects that are being filed through the Central European partner countries' authorities should answer the same requirements (i.e. filed in time to the Flemish Foreign Affairs Department, completely filled in and signed by the Flemish promoter).

Which project proposals are not eligible?

The following projects shall automatically be rejected on formal grounds (and not evaluated):

- projects in which the amount requested from the Flemish Community exceeds the pre-established maximum amounts (150,000.00 euros per year or for a project of 12 months, 300,000.00 euros for a project running 24 to 36 months);
- projects that exceed the maximum duration of 3 years;
- projects which do not mention any Flemish promoter (signing the application) or no CEE partner (the name of the institution as well as the person in charge and his contact data);
- projects in which the promoters and / or foreign partners are exclusively individuals acting in their own name;
- projects in which the minimum contribution of 15% of the CEE partners is not clearly indicated in the financial tables and/or is not guaranteed in the signed declaration of intent;
- projects in which – if the Flemish promoter is a private profit-seeking company – there is no minimum contribution of 15% by the Flemish promoter, or in which this contribution is not clearly indicated in the financial tables. (This contribution comes on top of the obligatory minimum contribution of 15% by the CEE partner.);
- projects which do not contain a fully completed and detailed budgetary plan.

The following projects do not qualify either for subsidisation:

- projects that are mainly aimed at providing materials or goods or the execution of infrastructure or construction activities;
- one-off activities such as seminars, congresses, cultural events etc. (except in Pillar 1 in case they clearly provide added value);
- projects that mainly consist of providing humanitarian help;
- projects that consist to a large extent of granting scholarships to Central European students or experts;
- research projects, which serve to allow Flemish educational or research institutes to extend their own research in cooperation with a partner in Central and Eastern Europe, where the main objective is not the transfer of Flemish expertise to the partner country, but rather the exchange or joint build-up of know how;
- feasibility studies. Studies are only eligible for co-financing if the study is a necessary part of a larger concrete project. Applications that merely aim at executing a study, or general exploratory studies, will be excluded;
- commercial projects. A commercial project is a project whose main aim is the setting up of a gainful occupation or structure, in which the promoter will remain involved subsequently. It is the profit making objective that makes a project ‘commercial’. The promoter’s or the partners’ legal status (NV, VZW, public institution, etc.) is not essential;
- projects that score lower than the average of 50% in the Flemish advisory committee evaluation;
- projects that are faced with the Flemish line department’s veto.

What does the selection procedure consist of? How long does it take?

Subsidisation of a project is only guaranteed from the moment the competent minister has signed the grant decision. This signature is preceded by the following steps:

Pillar 1 (new member states)

- for projects in the new member states project proposals are collected in consultation with the partner countries;
- the Flemish Foreign Affairs Department and the line department then evaluate the proposals and formulate an opinion on the projects;
- the partner country’s opinion is asked as well;
- the proposals, accompanied by a substantive and financial advice are submitted to the minister responsible for Foreign Policy, who decides about the selection of the projects and the total allocated budget;

- in consultation with the line departments the budgets of the selected projects may be adjusted. Then follow the different steps of the financial procedure and eventually the minister signs the grant decision.

Pillars 2 and 3

- proposals are collected;
- they are evaluated and ranked by the Flemish advisory committee and by the partner country;
- during a joint meeting between Flanders and the partner country a selection of the projects is proposed;
- in principle approval of the list with projects proposed for selection by the Flemish minister responsible for foreign policy;
- adaptation of the budget (in consultation between the partner country, departments and promoter);
- financial procedure (Finance Inspectorate, and possibly presentation to the minister for the Budget);
- signing of the grant decision by the minister responsible for Foreign Policy.

Trilateral projects

- In case one of the partner countries belongs under pillars 2 or 3 the corresponding procedure for pillars 2 and 3 is followed. If only countries under pillar 1 are involved the procedure for pillar 1 countries is followed.

After the grant decision has been signed the following steps are gone through:

- notification (accompanied by a letter of intent) is sent to the promoters;
- the promoter signs and sends a commitment stating start and finish dates of the project;
- paying out by the Flemish administration of the first instalment.

What criteria are used when evaluating the proposals?

When evaluating and ranking the applications, great importance will be attached to the following formal aspects:

- the annexes must be limited to the letters of intent of the partners and the letters of the partner authorities. This means that other annexes will not be taken into account for the evaluation (may be taken into account in the composition of the file: e.g. the articles of association);
- the application form provided by the Flemish Government must be used as a basis. None of the text elements (therefore no questions either) must be removed. All questions must be answered. If the exact scope of certain questions is not clear, further details can be obtained from the Flemish Department of Foreign Affairs.

The Flemish Advisory Committee will use the following thematic criteria to draw up a ranking of the different projects:

- does it involve the transfer of knowledge in a domain in which Flanders has acquired great expertise;
- to what extent has the government in the partner country (in the first place the ministry, the local authorities involved, ...) been involved in the start-up of the project and how much importance does it attach to its realisation;
- is the Flemish promoter able to implement this project? Does the project meet the promoter's abilities in terms of content? Has he already demonstrated before that he is able to deliver such results;
- is the CEE partner the (most) suitable one? Can this project (best) be realised through this partner;
- will the CEE partner guarantee the multiplication and dissemination of the achievements? Will he be supported by the central government;

- will all parties involved be sufficiently informed about the Flemish Government's contribution? Will account be taken of the communication duty;
- will this project result in tangible achievements, the effects of which will be measurable and demonstrable;
- are there any guarantees for the sustainability of the project after Flanders will have stopped financing it, or after the Flemish promoter will have withdrawn from it? Are there any guarantees that a structure will have been set up which will continue to function and be financed in the future;
- can this project be transferred to other institutions, cities, regions, ... by the CEE beneficiaries themselves (not by repeating the Flemish project in other locations!).

The form and comprehensibility of the project description will also be evaluated.

- It is of the utmost importance to state clearly and unequivocally what need exactly the project aims to meet. What is going wrong or what is still on an insufficiently high (EU) level with the project partners? What has to be remedied or modified to meet the EU norms?
- When clearly appears what the problem is, it also has to be specified what benefit the project intends to bring for the beneficiaries/partners, what its long-term goal is and what the concrete final positions are one wants to achieve at the end of the project. These goals have to be concretely demonstrable, measurable for outsiders! It must be shown (by means of indicators) which path will be followed between the initial phase and the final phase of the project. It must be clearly indicated what exactly will be achieved, what quantities are involved (the number of trainees for instance), what changes will have been realised (which precise knowledge will be present), by which date the different stages will have been completed?
- Thus, a clear work plan/step-by-step plan – with strategic and operational objectives, a division of tasks, an agenda, ... – must also be drawn up which must be verifiable by the administration at any time. The work plan must always contain quantitative indicators. It is of the utmost importance that a clear distinction is made between the actions in the step-by-step plan and the indicators through which these actions can be evaluated!
- The action plan and the budget must be put in line with one another.
- The means that will be used must be adapted to the goals to be reached and to the possibilities of the partners. For instance, there must be a reasonable relation between the number of trained people and the cost price of the training. Care should be taken that e.g. travel expenses remain limited (and that the partners too share in this cost).
- In the evaluation of the budget the clarity of the information that is provided and the reasonableness of the costs that are charged will be of decisive importance.

In what way do the project proposals under pillar 1 differ from those under pillars 2 and 3?

Projects within pillar 1 should meet specific requirements. Special attention should be given to valorisation of existing contacts, mutually beneficial projects, etc.

Examples of projects that could be proposed under Pillar 1 are:

- developing networks between Flanders and the partner countries, i.a. by means of cooperation among intermediary organisations (chambers of commerce, federations, ...);
- organisation of promotion activities giving Flanders a more prominent place in the partner country (e.g. Flemish week involving several actors such as Toerisme Vlaanderen, FIT, the Flemish Culture department, ...) and vice versa;
- developing twinning among cities or relationships among provincial or regional authorities through intermediate organisations or by organising joint actions (e.g. cooperation between VVSG and comparable partner organisations abroad or associations of cities such as the Hanseatic cities, seminars for municipal collectors, ...). Individual city twinning will not be financed;

- valorising projects that have been developed in the past (e.g. submitting project proposals with the EU based on previous Flemish projects) or building on Flemish policy models to develop policy or action plans for the partner country;
- actions in the framework of interregional cooperation (INTERREG) for which complementary financing is necessary. The expenses related to the participation of Flemish partners in such projects may not simply be shifted onto the Flemish authorities, however. The Flemish partner, too, should make a considerable contribution;
- stimulating bilateral cooperation with neighbouring countries (gathering expertise from Flanders, a new member state and one of the new neighbours - Ukraine, Albania,... - to prepare applications for grants, legislation, cross-border cooperation, transposing previous projects from Central and Eastern Europe to the new neighbourhood, transferring cooperation between Flanders and a new member state to neighbouring countries, etc.);
- bilateral film festivals or promotional cultural events;
- conferences and cooperation centred on the regional realities in Europe.

When will the promoters be informed about the stage of the procedure?

- The promoters will be informed of the evaluation after the in principle approval by the minister. The project budget will then be discussed and possibly be adapted.
- In the course of the evaluation period no interim information will be provided to the promoters. The latter are called on to respect this arrangement and not to call or mail needlessly for information.

When can the grant be regarded as awarded?

- Only after the competent minister has signed the grant decision will the financing become official and can the project start.
- Even after the subsidy has been granted, the promoter must be able to justify and substantiate the use of resources in a way that is acceptable to the government. An audit – in situ or at the promoter’s address – carried out by the administration, the Finance Inspectorate and the Belgian Court of Audit may result in unjustified costs being rejected and maybe even in paid advancements being reclaimed.
- Each year the administration organises some site visits abroad. The promoter and the partners are expected to fully collaborate. The members of the team must be given access to all staff, rooms, premises and documents which are related to the project.

Practical guidelines on budgeting

Preparation costs

- Preparation costs can be taken into account, provided they were incurred no longer than six (6) months before the submission of the project and can be justified, and provided they are necessary for reaching the goals and can be fully attributed to this project. They must be calculated in a realistic way. A maximum amount of 2,500 euros shall be considered acceptable for planning and preparation.
- Costs of previously submitted projects shall not be acceptable.

Staff costs

Staff costs (of promoters) shall be calculated by means of the pay slips: the percentage of time spent on the project (and preferably converted to monthly wages).

- The utility of and the need for all wages must be indicated in the work plan. Promoters must make economical use of resources, especially when they involve expensive external experts in the project. The promoter and his partner must be able to implement the principal part of a project themselves. Wages of local collaborators/partners must also be substantiated by means of pay slips and will be evaluated on their reasonableness. (It is unacceptable, for instance, to justify the contribution of the partners with artificially forced up wages.) Pay slips of project collaborators must not be appended to the project proposal, but may be requested during the budget negotiations (phase 5 of the procedure – see below) or to check the final payment.

Enterprises, organisations and institutions, other than educational and research centres, which do not operate in accordance with government wage scales:

- should mention the direct gross salaries of the white-collar workers involved and/or the gross salaries of the blue-collar workers including the legally obligatory employers' and employees' contributions. All staff costs of the staff members of the person in charge of the Flemish project and the partners involved in the project must be mentioned;
- should mention on the application form the number and the function (executive, middle management, white-collar worker or blue-collar worker) of the staff members who perform activities within the framework of the project. In addition, an estimate is to be made of the number of hours each staff member will spend on the project. To this end, the promoter shall keep a register in which the names of the people and the time each of them spent on the project are to be filled out.

The following shall not be accepted as staff costs:

- contributions for perks such as group insurance, extra-legal pension, ...;
- labour costs for "supervision" (usually by the business manager).

For organisations that already receive structural support from the Flemish Government:

- If the promoter is a research or educational institution which is granted allowances or other public support on a regular basis (for instance the financing of the operating costs of the universities to the debit of the Flemish Government's Education budget), account must be taken of the following:
 - pay slips of staff that is already attached to these institutions can only be accepted if it can be proven that these are allowances for exceptional performances;
 - when a member of staff is hired temporarily as a replacement to perform the "non-project-related" tasks of a member of staff in salaried employment (educational or non-educational), the costs, related to this recruitment, plus the

wage costs for this replacement can be charged; only the wage of the replacement staff will be subsidised, so that there will be no double financing.

With regard to remuneration, the administration will apply the following standards:

- There will be 251 productive working days (231 + 20 days of leave) in a 5 day working week and 303 working days (278 + 25 days of leave) in a 6 day working week. This results in the following diagram:

TABLE 1

	working week 5 days	working week 6 days
Number of productive days	251.00	303.00
Number of days of leave	20.00	25.00
Number of working days	231.00	278.00
Number of working days per month = Number of working days/12	19.25	23.17
Number of working hours per month = Number of working days per month*7.6	146.30	176.07

- The following Flemish gross wages are used by the Flemish advisory committee as maximum amounts that are considered acceptable:

TABLE 2

	Max. monthly wage	Max. daily wage	Max. hourly wage
Project management	7700 euros	418 euros	55 euros
Experts	6600 euros	355 euros	48 euros
Collaborators	5500 euros	292 euros	40 euros
Secretariat	3300 euros	179 euros	23 euros

- The foreign gross wages must be realistic and be comparable to the local wage costs.
- The gross wages will be compared to average wages per sector as published by Eurostat.

Operating costs

- Operating costs must not constitute the principal part of the project (this would rather mean the transfer of material). Costs for hardware do not belong here; software licences on the other hand do, for instance.
- As operating costs only those costs shall be accepted that relate to the project and that are verifiable as well.
- The following are regarded as operating costs:
 - the expenditure directly linked to the project for consumables, materials and tools the expected life of which does not exceed the duration of the contract (such as paper, batteries,...);
 - computer costs and costs for the use of other highly specialised equipment in Flanders: these will be calculated, taking account of the annual depreciation costs, on the basis of a minimum 3 year life and in proportion to the actual time of use and the percentage of material used in the project;
 - rent to be paid to third parties for the use of buildings, premises, equipment and infrastructure;
 - all kinds of non-recoverable taxes and customs duties to be paid within the framework of the project;

- rent paid to third parties for the use of vehicles that are proven to be indispensable for the functioning of the project.
- Note: Charging of VAT
 - The Flemish government shall under no circumstances subsidise levies and taxes that are at the expense of the promoter and which the promoter can reclaim from any government. An obvious example in this respect is the VAT. To the extent that the VAT, which is paid by the promoter on his purchase invoices, is deductible or recoverable for the promoter, it shall not be subsidised.
 - If reports, statements of account, etc. submitted by the promoter reveal that the total amount to be paid by the government is composed of an overall amount augmented by a fixed percentage of VAT, the amount exclusive of VAT shall be paid to the extent that the VAT is deductible or recoverable for the promoter.
 - Neither can the promoter charge VAT to the government in addition to the amount laid down in the subsidy decree.
- The following shall not be accepted as operating costs:
 - depreciation costs for the use of existing infrastructure (buildings, material, installations, furniture and rolling stock,...);
 - expenditure related to distribution, marketing and advertising, unless explicitly stipulated in the project;
 - provisions for any future losses or commitments;
 - bad debts;
 - representation expenses of third parties that do not directly relate to the project;
 - rent to oneself or “internal rental charge”. This means charging rent for making buildings and infrastructure available because they cannot be used for regular daily activities;
 - computer costs for routine, small-scale (highly occasional) use. These are supposed to be part of the overhead costs;
 - costs charged by educational or research institutions for the use of existing basic equipment if the beneficiary is the research institution itself.
- The 14 July 1993 Decree governing compensation for central management and overall operation costs of the universities, related to carrying out scientific activities financed by the Flemish Community does not apply.

Overhead costs

- The overhead costs must not exceed 15% of the staff and operating costs.
- This heading includes all kinds of fixed costs which are not included under the other cost headings:
 - administration costs, internal rental charge, management costs...;
 - maintenance costs;
 - heating, lighting...;
 - stamps, telephone, fax,...;
 - insurance;
 - minor travel and accommodation expenses,
 - promotional gifts.
- An allocation formula for the allocation of costs must be laid down in the budget estimate. It must also be possible to substantiate these costs afterwards by means of invoices and/or annual accounts.
- The overhead costs can only be accepted if they are directly related to the project.

Investment costs

- The costs for the purchase of new equipment required for the execution of the project (e.g. demonstration material, start-up costs, basic equipment, software, rolling stock, etc.) and purchased for the implementation of the project are entered under this heading. Machinery, equipment etc. can only be charged if they are necessary to achieve the project's main goal. The costs for the purchase of these devices, ... can only be charged as depreciations. (e.g. PC and software packages or licences on three years, vehicles on five years, office furniture on 10 years...).
- A distinction is made between:
 - expenditure for durable material which is recorded as fixed assets in the promoter's books. For this expenditure the depreciation costs will be taken into account in proportion to the actual time of use and the capacity utilization in function of the project;
 - expenditure for investment or equipment goods for the benefit of the partner abroad. For these costs only the depreciation costs during the period of the project will be to the account of the project.

Travel and accommodation expenses

- As for the travel and accommodation expenses, an economical solution must always be aimed at (no business class, APEX if possible, cheaper companies, combined or longer stays, etc.).

Travel expenses

- By travel expenses is meant: international travel expenses. Expenditure for national individual travelling falls under the heading of overhead costs. The rent of vehicles that are indispensable for the good implementation of the project falls under the heading of operating costs.
- Travels must be part of the step-by-step plan. The costs must be substantiated by means of invoices and proofs of payment.

Accommodation expenses

- On the website can be found the maximum amounts per stay and per country the Flemish government can accept for 2009. These amounts include the following costs: hotel costs, individual meals and the communication and transport costs within the area where one is staying. Note: These are absolute maximum amounts applied by the Federal Government Service "Foreign Affairs" for missions of ministers, civil servants, etc. The maximum amounts must not be applied just like that. Reasonable prices of accommodation in hotels of an international standard must be charged. The same applies to restaurant costs, etc.
- These costs must also be substantiated by means of invoices. Only the accommodation expenses that can be directly assigned to the project and where specific (and demonstrable) project activities took place (tourist trips shall not be paid) can be charged.
- Costs can only be charged once. If the partner pays for the accommodation, the promoter cannot partially charge these expenses again.
- If one is staying in private houses, half of the aforementioned maximum amounts can be charged, without any further substantiating documents. However, the number of nights spent abroad must be proven.
- For the stay of guests in Flanders, a maximum amount of 150.00 euros per person per night can be provided, if the guests stay at a hotel. This amount includes the following costs: hotel expenses, individual meals, insurance and communication and transport expenses within Flanders. If the number of nights

spent is certain (e.g. through the hotel bill), this amount can be charged without further substantiating documents. Nights spent in private houses can be charged at 75.00 euros.

These maximum daily allowances apply to short stays of one month at most; for longer stays only substantially lower costs will be accepted.

External costs

This heading includes the costs of services performed by external organisations, agencies, enterprises, institutions, etc. within the framework of the project. The relation between the promoter and external parties will be strictly monitored. The basic expertise must be available with the promoter himself.

- The following shall be accepted as external services (if they are indispensable for the project):
 - translations and the use of interpreters;
 - fees for domestic and foreign experts and advisers;
 - fees for research, engineering and consulting offices;
 - fees for lawyers;
 - expenses for collective transport (e.g. coach and driver rental);
 - fees for third parties for the organisation of seminars, workshops, lectures, the participation in cultural activities,... (including the related fees for speakers, the rent of premises, costs for drinks and meals, documentation costs, etc.).
- Promoters must make economical use of resources, especially when they involve expensive external experts in the project. For the payment of experts, the paid wage cost must be substantiated by means of the proven expertise and relevant experience. The use of external specialised expertise must be strictly limited in time and be sufficiently substantiated in the application. Only 'reasonable' wages will be accepted. The tariffs that are applicable in Flanders may not simply be applied for wages in the Central European countries.
- The following shall not be accepted:
 - expenses for medical care;
 - damages to be paid due to civil liability.

Co-financing of other organisations or authorities

- All forms of co-financing in the execution of the project must be clearly specified in the budget items. It must be possible to prove this co-financing by means of substantiating documents, equivalent to those of the Flemish partners and promoters.