



EUROPEAN COMMISSION

Directorate-General for Education, Youth, Sport and Culture

Culture and Creativity

Cultural Policy

Call for proposals EAC/S17/2019

CO-OPERATION OF SMALL MUSIC VENUES

Preparatory Action Music Moves Europe:
Boosting European Music Diversity and Talent

INTRODUCTION – Background

1.1. Overall EU policy context for culture

This call for proposals serves the implementation of the distinct activity “Co-operation of small music venues” within the context of the Preparatory action “**Music Moves Europe: Boosting European music diversity and talent**” in accordance with the Commission decision C (2019) 1819 of 12 March 2019 adopting the 2019 annual work programme for the implementation of Pilot Projects and Preparatory Actions in the area of education, youth, sport and culture¹.

The European Union's role in the culture area is specified in [Article 167 of the Treaty of the Functioning of the EU](#). The activities in this field at EU level are defined by the multiannual Work Plan for Culture (2019-2022)² of the Council and are framed in particular by the New [European Agenda for Culture adopted by the European Commission](#)³, which aims to reinforce the role and position of culture in an increasingly globalised world.

In this context, the role of the European Commission (hereinafter: the Commission) is to help address common challenges, such as the impact of the digital shift, changing models of cultural governance, and the need to support the innovation potential of the cultural and creative sectors.

The Creative Europe Programme has served since 2014 as a consolidated framework programme in support of Europe's cultural and audio-visual sectors. It has supported the implementation of actions in line with the EU's cultural policy. In the context of the preparations of the post 2020 Multiannual Financial Framework (MFF), the negotiations on the next Creative Europe programme have started⁴ with the aim to build on the existing Programme's achievements to date, and to scale up efforts to safeguard cultural diversity and strengthen competitiveness of the cultural and creative sectors.

1.2. The music sector in Europe

Music constitutes an important pillar of European culture. Aside from its economic significance – it employs more people than film and generates more than 25bn EUR revenue annually – the music sector is also an essential component of Europe's cultural diversity, social inclusiveness and soft power diplomacy and it brings positive changes to many levels of society.

Based on small and medium businesses with a strong potential for growth and job creation, the European music sector has been strongly influenced by the digital shift: new distribution channels, powerful digital players, innovative start-ups, business models and consumption patterns have emerged over the last decades.

¹ Commission Decision C (2019) 1819 of 12 March 2019, page 41 point 3.3 – Full text available here: <https://ec.europa.eu/programmes/erasmus-plus/sites/erasmusplus2/files/2019-annual-work-programme.pdf>

² https://ec.europa.eu/culture/news/2018/new-work-plan-culture-start-2019_en

³ COM(2018)267 final, 22.05.2019

⁴ Proposal for a Regulation of the European Parliament and of the Council establishing the Creative Europe programme (2021 to 2027) and repealing Regulation (EU) No 1295/2013 [COM (2018) 366 final], 30.05.2018. Full text is available here: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=COM:2018:366:FIN> The Commission published the proposals for the next MFF and the next generations of EU programmes in May 2018. See: <https://ec.europa.eu/digital-single-market/en/news/proposal-regulation-establishing-creative-europe-programme>

The music industry is therefore changing and finds itself at the forefront of an unchartered territory, most certainly paving the way for the other content industries. The unstable music ecosystem calls for an increasing need to mobilise the sector as well as policy makers to face such new challenges and explore the related new opportunities. As actions and policy initiatives at national level often prove neither sufficient nor suitable to encompass the global nature of the industry and of the consumption schemes, there is a need and a demand for an EU intervention to support Europe's key assets in the music field: creativity, diversity and competitiveness in a context of globalisation.

In 2019, the Preparatory action “Music Moves Europe: Boosting European music diversity and talent” should build on and complement the two calls for tender and the two calls for proposals that the Commission launched in May 2018, during the first year of its implementation. It should address the music sector's specific needs in the short and medium-term. With an increased budget of 3M euros, the 2019 Preparatory action offers an opportunity to develop initiatives on a larger scale than it was possible in 2018 and to explore ways of cooperation in different relevant areas for the music sector.

1.3. The Music Moves Europe Preparatory action

The Commission's legislative proposal for the next Creative Europe Programme includes the “sectorial support for music” as a new element for the benefit of the music sector, in addition to existing funding opportunities (i.e. cooperation projects, networks, platforms)⁵.

In general terms, such support would be directed towards European diversity and talent, the competitiveness of the European music sector as well as an increased access of citizens to music in all its diversity.

The Preparatory action “Music Moves Europe: Boosting European music diversity and talent” aims at paving the way towards such sectorial support. To this end, the implementation of the 2019 Preparatory action will follow a two-fold approach:

- to build on and develop further actions in the fields of "training" and "export";
- to implement and evaluate actions in new areas, i.e.: "small venues", "co-creation", "health effects", "music education".

The present call for proposals aims at promoting a sustainable live music distribution through cooperation between small- and medium sized music venues with the aim to stimulate innovative collaboration models and to enhance venues' role and identity in the local community.

⁵ See note 4 above

1.4. The “Co-operation of small music venues” call for proposals

A lively music club scene is a pre-requisite for music diversity. This call for proposals targets small music venues, which are essential for a healthy and diverse music ecosystem and important for the local communities and the music industry as a whole.

Small music venues in this call mean any indoor venue with a capacity up to 400, offering regular live music activities.

Music venues are important to the local communities and to the music industry. A well-functioning club scene in fact generates rich significant cultural, economic and social benefits:

- Small music venues boost creativity. The opportunity to perform live in music venues plays a crucial role in developing music careers and incubating talents. Live music nurtures creativity by providing scope to perform original music⁶. A place with a vibrant music community has a great potential to attract highly skilled young professionals.
- Small music venues contribute to the economic development of cities. Many musicians are entrepreneurs and music venues often work as innovation hubs. "A vibrant club scene brings values for cities through job creation, tourism development, city branding and artistic growth"⁷.
- Small music clubs deliver social benefits to the local communities. Many small music venues are deeply rooted and embedded in their local communities. The majority of the clubs manage social and educational activities, rehearsal spaces, support and projects for artists⁸. Individuals place high value on the social benefits derived from attendance at live music performances. Moreover, live music in venues provides unique opportunities for both performers and the audience to develop their social networks, fostering social engagement and connectedness and leading to enhanced community wellbeing⁹.

Small music venues however encounter numerous difficulties that threaten their operation. These problems stem from the changing music consumption trends in the one hand, and the regulatory environment and urban development trends in the other hand. These negative trends result in a fall in the number of music venues, which represents a threat to maintaining a diverse club scene in Europe.¹⁰

- Regarding the regulatory environment, cities tend not to take the interests of clubs into account in urban design and planning and do not have strategies in place for the night-time economy. A recent study highlighted the many disparities in European

⁶ Deloitte Access Economy: The economic, social and cultural contribution of venue-based live music in Victoria Arts Victoria June 2011.
https://creative.vic.gov.au/_data/assets/pdf_file/0003/56694/The_economic_social_and_cultural_contribution_of_venue-based_live_music_in_Victoria-2.pdf

⁷ World Intellectual Property Organisation,
https://www.wipo.int/wipo_magazine/en/2015/05/article_0009.html

⁸ http://www.live-dma.eu/wp-content/uploads/2018/09/Live-DMA-Survey-report_live-music-venues_data-2015_publication-January-2018.pdf

⁹ See footnote 6 above.

¹⁰ Between 2001 and 2011 for example, the number of clubs in the Netherlands fell by 38%. In Britain there were 3,144 clubs in 2005 but only 1,733 ten years later.
<https://www.economist.com/europe/2016/01/09/less-than-ecstatic>

sound regulations and confirmed the idea that most of these regulations are not adapted to the realities of the sector and they can threaten the diversity and liberties of the music venues, clubs as well as artistic diversity.¹¹ The current trend is to consider music clubs always responsible, by default, for the noise nuisance generated around their premises¹². Clubs are in fact often located in derelict urban areas, where their presence and the creative environment around them attract developers, who start investing in the area. As regeneration or gentrification goes on, the incoming new residents start complaining about the noise and clubs often need to close down or relocate to a yet derelict area¹³.

The changing music consumption trends also represent a challenge to the small venues scene. The festival sector is booming as music fans search more and more for experience rather than the actual music offers. Fans are more willing to pay to attend few festivals rather than frequenting their local clubs on a more regular basis. This, together with the escalating talents' costs and the fact that younger generations' preferences are more and more song based than artist based, have led to more volatile audience and to an increase in one-time visitors and no-shows of audience at the concerts. Overall, these trends make it difficult for small venues to build a sustainable loyal fan base, which is key to the business's survival. To bring one-time fans back, clubs need to seek for innovative event marketing strategies that target previous attendees, and experiment with strategies to make sure buyers will actually show up. This involves new ticketing strategies, as fans are less likely to seek out an event outside of their favourite sites and applications. Redirecting from an event site to a ticketing page for example results in losing sales¹⁴.

Small music venues struggle to remain competitive as they often lack the capacity to keep up with these ever faster changing trends and usually operate with a limited number of paid personnel and very often with little contact with other venues.

The present call for proposal aims at addressing these issues by promoting the cooperation between small music venues and a better collaboration with their respective local public authorities.

2. OBJECTIVES AND EXPECTED RESULTS

2.1. Objectives

In line with the Preparatory Action 2019, the **general objective** of this call is to promote sustainable live music distribution through increasing the music venues' capacity to remain competitive in a fast changing market and regulatory environment. The call will support innovative and sustainable co-operation projects between small music venues, as well as between small music venues and public authorities with the aim to stimulate innovative collaboration models and to enhance venues' role and identity in the local community.

¹¹ <http://www.live-dma.eu/wp-content/uploads/2016/12/Live-DMA-data-2014-survey-presentation-for-online-publication-version-18-July-2016.pdf>

¹² https://www.designingbuildings.co.uk/wiki/Agent_of_change

¹³ A good example of supporting regulation can be found in the UK, where the introduction of the "Agent of change" principle into the legislation in 2018 strengthened the planning rules and supports the protection of independent venues under threat. According to this principle, the person or business responsible for the change is responsible for managing the impact of the change. This means that if an apartment block is built near an established live music venue, the investor of that block needs to pay for soundproofing.

¹⁴ <https://www.eventbrite.com/blog/music-industry-trends-2018-ds00/>

The proposals should contribute to the general objective by covering at least one of the two following **specific objectives**:

1. Cooperation between small music venues to increase their capacity to address social or economic challenges they face.
2. Engaging in partnerships with the relevant local, regional or national authorities for the creation of an enabling environment for small music venues to maximise their social-economic contribution to the local communities.

2.2. Expected results

The Commission aims at selecting and supporting indicatively 15 co-operation projects between small music venues, as well as between small music venues and public authorities.

Lessons learnt from the funded projects will improve the sector's understanding on how to help maintaining a diverse European music club scene. These findings will in fact help design the EU's future support for music in the context of the planned new Creative Europe programme post-2020, which supports European diversity and talent, the competitiveness of the sector as well as increased access of citizens to music in all its diversity.

3. TIMETABLE

	Steps	Date and time or indicative period
(a)	Publication of the call	2 August 2019
(b)	Deadline for submitting applications	15/11/2019
(c)	Evaluation period	November 2019 – January 2020
(d)	Information to applicants	25/02/2020
(e)	Signature of grant agreements	10/03/2020

4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of projects under this call for proposals is estimated at EUR 600 000.

The maximum grant will be:

- EUR 70 000 for projects comprising of at least 4 project partners having their legal seats in at least 3 different countries.
- EUR 50 000 for projects comprising of at least 3 project partners having their legal seats in at least 2 different countries.
- EUR 30 000 for projects comprising 2 project partners.
- EUR 30.000 for projects, regardless the number of partners, where the project partners have their legal seats in the same country.

The maximum co-financing rate will be 90%.

The Commission expects to fund at least 13 proposals.

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

5. ADMISSIBILITY REQUIREMENTS

In order to be admissible, applications must be:

- sent no later than the deadline for submitting applications referred to in section 3;
- submitted in writing (see section 14), using the application form and electronic submission system available at <https://ec.europa.eu/eusurvey/runner/SmallMusicVenues>; and
- drafted in one of the EU official languages, preferably in English.

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

6. ELIGIBILITY CRITERIA¹⁵

6.1. Eligible applicants

In order to be eligible, projects must be presented by applicants meeting the following criteria:

- be a public or private organisation with legal personality. Natural persons are not eligible to apply for a grant under this call. Proposals may therefore be submitted by any of the following applicants:
 - non-profit organisation (private or public);
 - public authorities (national, regional, local);
 - profit making entities
- be a consortium of single entities from at least two different eligible countries, operating small music venue (up to 400 capacity), or a consortium made up of public or private entities, not necessarily from different eligible countries, of which at least one operates a music venue with a capacity up to 400.

Entities affiliated to the beneficiary are not eligible to receive funding under this Call for proposals.

Country of establishment

Only applications from legal entities established in the following countries are eligible:

- EU Member States;
- non-EU countries that are participating in the Creative Europe Programme Culture¹⁶

Consortium requirements

¹⁵ Articles 194(1)(b) and 197 of 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, repealing Regulation (EU, Euratom) No 966/2012 (1)- OJ-L 193/30.07.2018, p. (hereinafter:FR)

¹⁶ https://eacea.ec.europa.eu/creative-europe/library/eligibility-organisations-non-eu-countries_en

In order to be eligible, a proposal must be submitted by a consortium composed of at least two legal entities.

- Single entities operating small music venues and established in different eligible countries; OR
- Public or private entities, of which at least one operates a small music venue with a capacity up to 400, not necessarily established in different eligible countries.

Supporting documents

In order to assess the applicants' eligibility, the following supporting documents are requested:

- **private entity:** extract from the official journal, copy of articles of association, extract of trade or association register, certificate of liability to VAT (if, as in certain countries, the trade register number and VAT number are identical, only one of these documents is required);
- **public entity:** copy of the resolution, decision or other official document establishing the public-law entity.

6.2. Eligible activities

The following types of activities are eligible under this call for proposals:

- Cooperation between small music venues, peer learning, exchange of experiences and good practices;
- Staff exchange between clubs in form of study visits, secondments, trainees;
- Development of competitive business strategies;
- Elaboration of night time economic strategies for cities for creating enabling environment for the sustained operation of music venues;
- Dialogue with the local communities as well as with the competent local authorities;
- PR campaigns to demonstrate the contribution of small music venues to the socio-economic development of the local communities.
- Communication and dissemination of projects results

Implementation period

- Activities may not start before the signature of the grant agreement.
- By way of exception, activities may be carried out before the signature of the contract but in any case not before the submission of the grant application. The corresponding costs may be considered eligible provided that the applicant demonstrates the need to start the action earlier.
- The maximum duration of projects is 18 months.

Applications for projects scheduled to run for a longer period than that specified in this call for proposals will not be accepted.

7. EXCLUSION CRITERIA

7.1. Exclusion

The authorising officer shall exclude an applicant from participating in call for proposals procedures where:

- (a) the applicant is bankrupt, subject to insolvency or winding-up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended, or it is in any analogous situation arising from a similar procedure provided for under EU or national laws or regulations;
- (b) it has been established by a final judgment or a final administrative decision that the applicant is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law;
- (c) it has been established by a final judgment or a final administrative decision that the applicant is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful intent or gross negligence, including, in particular, any of the following:
 - (i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of eligibility or selection criteria or in the performance of a contract, a grant agreement or a grant decision;
 - (ii) entering into agreement with other applicants with the aim of distorting competition;
 - (iii) violating intellectual property rights;
 - (iv) attempting to influence the decision-making process of the Commission during the award procedure;
 - (v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;
- (d) it has been established by a final judgment that the applicant is guilty of any of the following:
 - (i) fraud, within the meaning of Article 3 of Directive (EU) 2017/1371 of the European Parliament and of the Council and Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;
 - (ii) corruption, as defined in Article 4(2) of Directive (EU) 2017/1371 or Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997, or conduct referred to in Article 2(1) of Council Framework Decision 2003/568/JHA, or corruption as defined in the applicable law;
 - (iii) conduct related to a criminal organisation, as referred to in Article 2 of Council Framework Decision 2008/841/JHA;
 - (iv) money laundering or terrorist financing within the meaning of Article 1(3), (4) and (5) of Directive (EU) 2015/849 of the European Parliament and of the Council;

- (v) terrorist offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;
 - (vi) child labour or other offences concerning trafficking in human beings as referred to in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;
- (e) the applicant has shown significant deficiencies in complying with main obligations in the performance of a contract, a grant agreement or a grant decision financed by the Union's budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;
 - (f) it has been established by a final judgment or final administrative decision that the applicant has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95;
 - (g) It has been established by a final judgement or final administrative decision that the applicant has created an entity in a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations of mandatory application in the jurisdiction of its registered office, central administration or principal place of business;
 - (h) it has been established by a final judgement or final administrative decision that an entity has been created with the intent referred to in point (g);
 - (i) for the situations referred to in points (c) to (h) above, the applicant is subject to:
 - (i) facts established in the context of audits or investigations carried out by European Public Prosecutor's Office after its establishment, the Court of Auditors, the European Anti-Fraud Office or the internal auditor, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;
 - (ii) non-final judgments or non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;
 - (iii) facts referred to in decisions of persons or entities being entrusted with EU budget implementation tasks;
 - (iv) information transmitted by Member States implementing Union funds;
 - (v) decisions of the Commission relating to the infringement of Union competition law or of a national competent authority relating to the infringement of Union or national competition law; or
 - (vi) decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

7.2. Remedial measures¹⁷

If an applicant declares one of the situations of exclusion listed above (see section 7.4), it must indicate the measures it has taken to remedy the exclusion situation, thus demonstrating its reliability. This may include e.g. technical, organisational and personnel measures to correct the conduct and prevent further occurrence, compensation

¹⁷ Article 136(7) FR

of damage or payment of fines or of any taxes or social security contributions. The relevant documentary evidence which illustrates the remedial measures taken must be provided in annex to the declaration. This does not apply for situations referred in point (d) of section 7.1.

7.3. Rejection from the call for proposals

The authorising officer shall not award a grant to an applicant who:

- (a) is in an exclusion situation established in accordance with section 7.1; or
- (b) has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information; or
- (c) was previously involved in the preparation of documents used in the award procedure where this entails a breach of the principle of equal treatment, including distortion of competition, that cannot be remedied otherwise.

Administrative sanctions (exclusion)¹⁸ may be imposed on applicants if any of the declarations or information provided as a condition for participating in this procedure prove to be false.

7.4. Supporting documents¹⁹

Applicants must provide a declaration on their honour certifying that they are not in one of the situations referred to in Articles 136(1) and 141 FR, by filling in the relevant form attached to the application form accompanying the call for proposals (Annex 2)

This obligation may be fulfilled in one of the following ways:

- (i) the coordinator of a consortium signs a declaration on behalf of all applicants; OR
- (ii) the coordinator of the consortium signs a declaration on behalf of all applicants; OR
- (iii) each applicant in the consortium signs a separate declaration in their own name.

8. SELECTION CRITERIA²⁰

8.1. Financial capacity²¹

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the duration of the grant and to participate in its funding. The applicants' financial capacity will be assessed based on the following methodology, which is further detailed in Annex 5a and 5b of the Call for proposals.

The applicant should provide the following documents as evidence of financial capacity application:

- a declaration on their honour (Annex 1 of this Call for proposals).

However, in case of doubt and only for grants exceeding EUR 60 000, the assessment committee reserves the right to request supporting documents and to carry out a financial

¹⁸ Article 138 FR

¹⁹ Article 137 FR

²⁰ Article 198 FR

²¹ Article 198 FR.

analysis as described at point 4 of the above mentioned methodology (cf. Article 198.4 of the FR)

Moreover for grants exceeding EUR 60 000, entities falling into one of the high-risk categories mentioned at point 3.1 of the methodology must provide proof of their financial capacity and are required to undergo the financial analysis provided for in point 4 of the same methodology.

On the basis of the documents submitted, if the Commission considers that financial capacity is weak, s/he may:

- request further information;
- decide not to give pre-financing;
- decide to give pre-financing paid in instalments;
- decide to give pre-financing covered by a bank guarantee (see section 11.4 below);
- where applicable, require the joint and several financial liability of all the co-beneficiaries.

If the RAO considered that the financial capacity is insufficient, s/he will reject the application.

8.2. Operational capacity²²

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action.

In particular, applicants should possess the following capacities:

- proven record of at least 40 live music activities held in the participating music venue in 2018;
- proven record of at least 30 live music activities held in the participating music venue in 2017;

The **team delivering the service** should have the following professional capacities and requirements:

- at least one person with minimum 3 years of experience in organising live music acts;
- at least one person experienced with the management of a cooperation project;
- one person proficient in English.

In this respect, applicants have to submit a declaration on their honour, and the following supporting documents:

- a list of live music acts held in the participating venue in 2017 and 2018 proving that the thresholds of the required live music acts were reached.
- curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the operation;

²² Article 196 and 198 FR.

- Short description of the cooperation project and the role the applicant played in the project;
- Proof of knowledge of English by submitting a copy of at least a C2 level English language exam, or proven record of coordinating at least one transnational project in English, or at least 3 publications in English.

9. AWARD CRITERIA²³

Eligible applications/projects will be assessed on the basis of the following criteria:

Relevance (0-50 points – minimum threshold: 30/50)

This criterion will assess the relevance of the project and its expected contribution to the objectives of the call, including:

- the relevance of the project and the contribution of its expected results to the objectives of the call
- the relevance of the composition of the partnership
- transferability of the proposal to the European level;
- innovative nature of the project.

Quality of the activities (0-30 points – minimum threshold: 18/30)

This criterion evaluates how the project will be implemented in practice, how likely it will reach its objectives and how it will communicate and share its results. It will assess in particular:

- the clarity and level of detail in the description of actions to be carried out;
- Effectiveness and rational of the proposed methodology to deliver the expected results;
- Cost effectiveness of the proposed action, and in particular the relevance and quality of the means of implementation and the resources deployed in relation to the objectives envisaged,
- The sustainability of the expected results.
- Adequacy of the strategies proposed for the dissemination of project results and the expected impact of outreach at local, regional, national and European levels.

Management of the project (0-20 points – minimum threshold: 12/20)

This criterion evaluates the extent to which the structure and management of the project will ensure the effective implementation of the project. It will assess in particular:

- Clarity of explanation on how the partnership is organised.
- Relevance of the structure of the partnership to the project.
- Clarity of explanation on how the cooperation will ensure the effective implementation of the activities and project's objectives. The extent to which the

²³ Article 199 FR

cooperation ensures the strong involvement of all partners corresponding to their capacities and specific area of expertise.

- Explanation of the benefits of the inclusion of partners from a diverse geographical background for the partnership, the project and its objectives.
- Clarity of the timeline for activities ,
- Clear and adequate distribution of tasks between the project team members;
- Sufficient allocation of human resources and efficient organisation of the project team to implement the project.

Applications falling below the indicated minimum thresholds shall be rejected.

Applications will first be assessed against the “relevance of the project” award criterion. Applications that do not reach the minimum quality threshold for relevance will not be assessed further.

10. LEGAL COMMITMENTS²⁴

In the event of a grant awarded by the Commission, a grant agreement, drawn up in euro and detailing the conditions and level of funding, will be sent to the applicant, as well as the information on the procedure to formalise the agreement of the parties.

Two copies of the original agreement must be signed first by the coordinator on behalf of the consortium and returned to the Commission immediately. The Commission will sign it last

The applicants understand that submission of a grant application implies acceptance of the general conditions attached to this call for proposals. These general conditions bind the beneficiary to whom the grant is awarded and shall constitute an annex to the grant decision.

11. FINANCIAL PROVISIONS

11.1. Form of the grant

11.1.1 Reimbursement of costs actually incurred

The grant will be defined by applying a maximum co-financing rate of 90 % to the eligible costs actually incurred and declared by the beneficiaries.

For details on eligibility of costs, please refer to section 11.2.

11.1.2 Reimbursement of eligible costs declared on the basis of unit costs

The grant will be defined by applying a maximum co-financing rate of 90 % to the eligible costs declared by the beneficiary on the basis of:

- the amounts per unit set in Annex 6 (‘reimbursement of unit costs’) for the following categories of costs: costs related to the work carried out by volunteers²⁵

²⁴ Article 201 FR.

²⁵ In accordance with Article 181(6) FR. For the purposes of this Call, “volunteer” means a person working on a non-compulsory basis for an organisation without payment

The amount per unit will be paid for every unit consumed

Where the estimated costs of the action includes costs for volunteers' work and without prejudice to the maximum co-financing rate specified in Section 11.1, the grant shall not exceed the estimated eligible costs other than the costs for volunteers' work.

11.2. Eligible costs

Eligible costs shall meet all the following criteria:

- they are incurred by the beneficiary.
- they are incurred during the duration of the action, with the exception of costs relating to final reports and audit certificates;
 - The period of eligibility of costs will start as specified in the grant agreement.
 - If a beneficiary can demonstrate the need to start the action before the agreement is signed, the costs eligibility period may start before that signature. Under no circumstances can the eligibility period start before the date of submission of the grant application.
- they are indicated in the estimated budget of the action;
- they are necessary for the implementation of the action which is the subject of the grant;
- they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost accounting practices of the beneficiary;
- they comply with the requirements of applicable tax and social legislation;
- they are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency.

The beneficiary's internal accounting and auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the action/project with the corresponding accounting statements and supporting documents.

Eligible costs may be direct or indirect.

11.2.1. Eligible direct costs

The eligible direct costs for the action are those costs which:

with due regard to the conditions of eligibility set out above, are identifiable as specific costs directly linked to the performance of the action and which can therefore be booked to it directly, such as :

- (a) *the costs of personnel working under an employment contract with the beneficiary or an equivalent appointing act and assigned to the action, provided that these costs are in line with the beneficiary's usual policy on remuneration.*

Those costs include actual salaries plus social security contributions and other statutory costs included in the remuneration. They may also comprise additional remunerations, including payments on the basis of supplementary contracts regardless of the nature of those contracts, provided that they are paid in a

consistent manner whenever the same kind of work or expertise is required, independently from the source of funding used;

The costs of natural persons working under a contract with the beneficiary other than an employment contract or who are seconded to the beneficiary by a third party against payment may also be included under such personnel costs, provided that the following conditions are fulfilled:

- (i) the person works 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);*
- (ii) the result of the work belongs to the beneficiary (unless exceptionally agreed otherwise); and*
- (iii) the costs are not significantly different from the costs of staff performing similar tasks under an employment contract with the beneficiary;*

The recommended methods for the calculation of direct personnel costs are provided in Appendix.

- (b) costs for the work of volunteers up to the limit of 50 % of the overall Union and other co-financing of the action*
- (b) costs of travel and related subsistence allowances, provided that these costs are in line with the beneficiary's usual practices on travel;*
- (c) the depreciation costs of equipment or other assets (new or second-hand) as recorded in the beneficiary's accounting statements, provided that the asset:
 - (i) is written off in accordance with the international accounting standards and the beneficiary's usual accounting practices; and*
 - (ii) has been purchased in accordance with the rules on implementation contracts laid down in the grant agreement, if the purchase occurred within the implementation period;**

The costs of renting or leasing equipment or other assets are also eligible, provided that these costs do not exceed the depreciation costs of similar equipment or assets and are exclusive of any finance fee;

Only the portion of the equipment's depreciation, rental or lease costs corresponding to the implementation period and the rate of actual use for the purposes of the action may be taken into account when determining the eligible costs. By way of exception, the full cost of purchase of equipment may be eligible under the Special Conditions, if this is justified by the nature of the action and the context of the use of the equipment or assets;

- (d) costs of consumables and supplies, provided that they:
 - (i) are purchased in accordance with the rules on implementation contracts laid down in the grant agreement; and*
 - (ii) are directly assigned to the action;**

- (e) *costs arising directly from requirements imposed by the Agreement (dissemination of information, specific evaluation of the action, audits, translations, reproduction), including the costs of requested financial guarantees, provided that the corresponding services are purchased in accordance with the rules on implementation contracts laid down in the grant agreement;*
- (f) *costs derived from subcontracts, provided that specific conditions on subcontracting as laid down in the grant agreement are met;*
- (g) *duties, taxes and charges paid by the beneficiary, notably value added tax (VAT), provided that they are included in eligible direct costs, and unless specified otherwise in the grant agreement.*

11.2.2. Eligible indirect costs (overheads)

Indirect costs are costs that are not directly linked to the action implementation and therefore cannot be attributed directly to it.

A flat-rate amount of 7 % of the total eligible direct costs of the action, including the costs of volunteers' work, is eligible as indirect costs, representing the beneficiary's general administrative costs which can be regarded as chargeable to the action/project.

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

Applicants' attention is drawn to the fact that if they are receiving an operating grant financed by the EU or Euratom budget, they may not declare indirect costs for the period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action.

In order to demonstrate this, in principle, the beneficiary should:

- a. *use analytical cost accounting that allows to separate all costs (including overheads) attributable to the operating grant and the action grant. For that purpose the beneficiary should use reliable accounting codes and allocation keys ensuring that the allocation of the costs is done in a fair, objective and realistic way.*
- b. *record separately:*
 - all costs incurred for the operating grants (i.e. personnel, general running costs and other operating costs linked to the part of its usual annual activities), and
 - all costs incurred for the action grants (including the actual indirect costs linked to the action)

If the operating grant covers the entire usual annual activity and budget of the beneficiary, the latter is not entitled to receive any indirect costs under the action grant.

11.3. Ineligible costs

The following items are not considered as eligible costs:

- a) return on capital and dividends paid by a beneficiary;
- b) debt and debt service charges;
- c) provisions for losses or debts;
- d) interest owed;

- e) doubtful debts;
- f) exchange losses;
- g) costs of transfers from the Commission charged by the bank of a beneficiary;
- h) costs declared by the beneficiary under another action receiving a grant financed from the Union budget. Such grants include grants awarded by a Member State and financed from the Union budget and grants awarded by bodies other than the Commission for the purpose of implementing the Union budget. In particular, beneficiaries receiving an operating grant financed by the EU or Euratom budget cannot declare indirect costs for the period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action.
- i) contributions in kind from third parties;
- j) excessive or reckless expenditure;
- k) deductible VAT.

11.4. Balanced budget

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

The budget must be drawn up in euros.

Applicants for whom costs will not be incurred in euros should use the exchange rate published on the Infor-euro website available at:

http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm

The applicant must ensure that the resources which are necessary to carry out the action are not entirely provided by the EU grant.

Co-financing of the action may take the form of:

- the beneficiary's own resources,
- income generated by the action or work programme,
- financial contributions from third parties.

11.5. Calculation of the final grant amount

The final amount of the grant is calculated by the Commission at the time of the payment of the balance. The calculation involves the following steps:

Step 1 — Application of the reimbursement rate to the eligible costs

The amount under step 1 is obtained by applying the reimbursement rate specified in section 11.1.1 to the eligible costs actually incurred and accepted by the Commission including costs declared in the form of unit costs to which the co-financing rate applies in accordance with section 11.1.2.

Step 2 — Limit to the maximum amount of the grant

The total amount paid to the beneficiaries by the Commission may in no circumstances exceed the maximum amount of the grant as indicated in the grant agreement. If the amount obtained following Step 1 is higher than this maximum amount, the final amount of the grant is limited to the latter.

If volunteers' work is declared as part of direct eligible costs, the final amount of the grant is limited to the amount of total eligible costs approved by the Commission minus the amount of volunteers' work approved by the Commission.

Step 3 — Reduction due to the no-profit rule

‘Profit’ means the surplus of receipts over the total eligible costs of the action where receipts are the amount obtained following Steps 1 and 2 plus the revenue generated by the action for beneficiaries other than non-profit organisations.

In-kind and financial contributions by third parties are not considered receipts.

The total eligible costs of the action are the consolidated total eligible costs approved by the Commission. The revenue generated by the actions the consolidated revenue established, generated or confirmed for beneficiaries other than non-profit organisations on the date on which the request for payment of the balance is drawn up.

If there is a profit, it will be deducted in proportion to the final rate of reimbursement of the actual eligible costs of the action approved by the Commission.

This does not apply to grants with a value equal or below EUR 60 000.

Step 4 — Reduction due to improper implementation or breach of other obligations

The Commission may reduce the maximum amount of the grant if the action has not been implemented properly (i.e. if it has not been implemented or has been implemented poorly, partially or late), or if another obligation under the Agreement has been breached.

The amount of the reduction will be proportionate to the degree to which the action has been implemented improperly or to the seriousness of the breach.

11.6. Reporting and payment arrangements²⁶

11.6.1 Payment arrangements

The beneficiary may request the following payments provided that the conditions of the grant agreement are fulfilled (e.g. payment deadlines, ceilings, etc.). The payment requests shall be accompanied by the documents provided below and detailed in the grant agreement:

Payment request²⁷	Accompanying documents²⁸
A pre-financing payment corresponding to 70% of the maximum grant amount	Automatic upon entry into force of Grant agreement
Payment of the balance The Commission will establish the amount of this payment on the basis of the calculation of the final grant amount (see section 11.5 above).	(a) final implementation report describing the activities and achievement of the projects, in light of the objectives; (b) power point presentation detailing

²⁶ Articles 115, 202 and 203 FR.

²⁷ Article 115 FR

²⁸ Article 203(2) FR

<p>If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the Commission through a recovery order²⁹.</p>	<p>the activities and the achievements of the project; (c) final financial statement covering the whole duration of the project, aggregating the financial statements already submitted previously and indicating the receipts</p>
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In case of a weak financial capacity, section 8.1 above applies.

Other financial conditions

a) Non-cumulative award

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

Under no circumstances shall the same costs be financed twice by the Union budget. To ensure this, applicants shall indicate in the grant application the sources and amounts of Union funding received or applied for the same action or part of the action or for its (the applicant's) functioning during the same financial year as well as any other funding received or applied for the same action³⁰.

b) Non-retroactivity

No grant may be awarded retrospectively for actions already completed.

A grant may be awarded for an action which has already begun only where the applicant can demonstrate in the grant application the need to start the action before the grant agreement is signed.

In such cases, costs eligible for financing may not have been incurred prior to the date of submission of the grant application.

c) Implementation contracts/subcontracting³¹

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary may award the contract in accordance with its usual purchasing practices provided that the contract is awarded to the tender offering best value for money or the lowest price (as appropriate), avoiding conflicts of interest.

The beneficiary is expected to clearly document the tendering procedure and retain the documentation in the event of an audit.

Beneficiaries may subcontract tasks forming part of the action. If they do so, they must ensure that, in addition to the above-mentioned conditions of best value for

²⁹ Article 115(2) FR

³⁰ Article 196(1)(f) FR

³¹ Article 205 FR

money and absence of conflicts of interests, the following conditions are also complied with:

- a) subcontracting does not cover core tasks of the action;
- b) recourse to subcontracting is justified because of the nature of the action and what is necessary for its implementation;
- c) the estimated costs of the subcontracting are clearly identifiable in the estimated budget;
- d) any recourse to subcontracting, if not provided for in description of the action, is communicated by the beneficiary and approved by the Commission. The Commission may grant approval:
 - (i) before any recourse to subcontracting, if the beneficiaries requests an amendment
 - (ii) after recourse to subcontracting if the subcontracting:
 - is specifically justified in the interim or final technical report and
 - does not entail changes to the grant agreement which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants;
- e) the beneficiaries ensure that certain conditions applicable to beneficiaries, enumerated in the grant agreement (e.g. visibility, confidentiality, etc.), are also applicable to the subcontractors.

d) Financial support to third parties³²

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

12. PUBLICITY

By the beneficiaries

Beneficiaries must clearly acknowledge the European Union's contribution in all publications or in conjunction with activities for which the grant is used.

In this respect, beneficiaries are required to give prominence to the name and emblem of the European Commission on all their publications, posters, programmes and other products realised under the co-financed project.

To do this they must use the text, the emblem and the disclaimer available at https://ec.europa.eu/info/resources-partners/european-commission-visual-identity_en and the European Commission's visual identity guidelines. For further details you may also contact comm-visual-identity@ec.europa.eu.

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

³² Article 204 FR

By the Commission³³

With the exception of scholarships paid to natural persons and other direct support paid to natural persons in most need, all information relating to grants awarded in the course of a financial year shall be published on an internet site of the European Union institutions no later than the 30 June of the year following the financial year in which the grants were awarded.

The Commission will publish the following information:

- name of the beneficiary;
- address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level³⁴ if he/she is domiciled within the EU or equivalent if domiciled outside the EU;
- subject of the grant;
- amount awarded.

Upon a reasoned and duly substantiated request by the beneficiary, the publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the beneficiaries.

13. PROCESSING OF PERSONAL DATA

The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 2018/1725 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, the questions and any personal data requested that are required to evaluate the application in accordance with the call for proposal will be processed solely for that purpose by the European Commission; Directorate –General for Education, Youth, Sport and Culture; Culture and Creativity Directorate; Cultural Policy Unit.

Personal data may be registered in the Early Detection and Exclusion System by the Commission, should the beneficiary be in one of the situations mentioned in Articles 136 and 141 of Regulation (EU, Euratom) 2018/1046³⁵. For more information see the Privacy Statement on:

https://ec.europa.eu/info/data-protection-public-procurement-procedures_en

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

Proposals must be submitted by the deadline set out under section 3.

No modification to the application is allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or to correct clerical mistakes, the Commission may contact the applicant during the evaluation process³⁶.

³³ Articles 38 and 189 FR.

³⁴ Commission Regulation (EC) No 105/2007 of 1 February 2007 amending the annexes to Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS), OJ L39, 10.2.2007, p.1.

³⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018R1046>

³⁶ Articles 151 and 200(3) FR

Applicants will be informed in writing about the results of the selection process.³⁷

Electronic submission:

Applicants are requested to log in at <https://ec.europa.eu/eusurvey/runner/SmallMusicVenues> and follow the procedure for submitting an application.

Applications sent by post, fax or e-mail will not be accepted.

➤ **Contacts**

The contact point for any questions is:

EAC-MME-Venues@ec.europa.eu

All replies will be published at <https://ec.europa.eu/eusurvey/runner/SmallMusicVenues> in a reasonable time before the deadline for submission in order to allow sufficient time for completing the preparation of the proposals.

➤ **Annexes:**

Grant Application Documents

- **Grant Application form (multi-beneficiary)**
 - Annex I Declaration on honour
 - Annex II Mandate letters
 - Annex III Estimated Budget of the action
 - Annex IV List of CVs
 - Annex V(a) Economic & Financial Capacity - Methodology
 - Annex V(b) Economic & Financial Capacity – Form
 - Annex VI Applicable rates for the reimbursement of costs related to volunteers' work on the basis of unit costs (a) Commission Decision C(2019) 2646 final of 10 April 2019 authorizing the use of unit costs for declaring personnel costs for the work carried out by volunteers under an action or a work programme

Reference Documents

- Draft Model Grant Agreement & General Conditions (multi-beneficiary)
- Model technical report
- Model financial statement
- List of supporting documents

³⁷ Article 200 FR

Appendix

Specific conditions for direct personnel costs

1. Calculation

The ways of calculating eligible direct personnel costs laid down in points (a) and (b) below are recommended and accepted as offering assurance as to the costs declared being actual.

The Commission may accept a different method of calculating personnel costs used by the beneficiary, if it considers that it offers an adequate level of assurance of the costs declared being actual.

a) for persons working exclusively on the action:

{ monthly rate for the person

multiplied by

number of actual months worked on the action }

The months declared for these persons may not be declared for any other EU or Euratom grant.

The **monthly rate** is calculated as follows:

{ annual personnel costs for the person

divided by 12 }

using the personnel costs for each full financial year covered by the reporting period concerned.

If a financial year is not closed at the end of the reporting period, the beneficiaries must use the monthly rate of the last closed financial year available;

b) for persons working part time on the action

(i) If the person is assigned to the action at a fixed pro-rata of their working time:

{ monthly rate for the person multiplied by pro-rata assigned to the action

multiplied by

number of actual months worked on the action }

The working time pro-rata declared for these persons may not be declared for any other EU or Euratom grant.

The monthly rate is calculated as above.

(ii) In other cases:

{hourly rate for the person multiplied by number of actual hours worked on the action}

or

{daily rate for the person multiplied by number of actual days worked on the action}

(rounded up or down to the nearest half-day)

The number of actual hours/days declared for a person must be identifiable and verifiable.

The total number of hours/days declared in EU or Euratom grants, for a person for a year, cannot be higher than the annual productive hours/days used for the calculations of the hourly/daily rate. Therefore, the maximum number of hours/days that can be declared for the grant are:

{number of annual productive hours/days for the year (see below)}

minus

total number of hours and days declared by the beneficiary, for that person for that year, for other EU or Euratom grants}.

The '**hourly/daily rate**' is calculated as follows:

{annual personnel costs for the person

divided by

number of individual annual productive hours/days} using the personnel costs and the number of annual productive hours/days for each full financial year covered by the reporting period concerned.

If a financial year is not closed at the end of the reporting period, the beneficiaries must use the hourly/daily rate of the last closed financial year available.

The 'number of individual annual productive hours/days' is the total actual hours/days worked by the person in the year. It may not include holidays and other absences (such as sick leave, maternity leave, special leave, etc). However, it may include overtime and time spent in meetings, trainings and other similar activities.

2. Documentation to support personnel costs declared as actual costs

For **persons working exclusively on the action**, where the direct personnel costs are calculated following **point (a)**, there is no need to keep time records, if the beneficiary signs a **declaration** confirming that the persons concerned have worked exclusively on the action.

For **persons assigned to the action at a fixed pro-rata of their working time**, where the direct personnel costs are calculated following **point (b)(i)**, there is no need to keep time records, if the beneficiary signs a declaration that the persons concerned have effectively worked at the fixed pro-rata on the action.

For **persons working part time on the action**, where direct personnel costs are calculated following **point (b)(ii)**, the beneficiaries must keep **time records** for the number of hours/days declared. The time records must be in writing and approved by the persons working on the action and their supervisors, at least monthly.

In the absence of reliable time records of the hours worked on the action, the Commission may accept alternative evidence supporting the number of hours/days declared, if it considers that it offers an adequate level of assurance.