



EUROPEAN COMMISSION
Directorate-General for Justice and Consumers
JUST.H – Horizontal Affairs
H.3 – Budget, Programmes and Financial Management

GRANT AGREEMENT

Project 101191193 — Palk

PREAMBLE

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

on the one part,

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

and

on the other part,

1. 'the coordinator':

MAJANDUS JA KOMMUNIKATSIOONIMINISTEERIUM (MKM), PIC 963638450, established in SUUR-AMEERIKA 1, TALLINN 10122, Estonia,

and the following other beneficiaries, if they sign their 'accession form' (see Annex 3 and Article 40):

2. **TOOINSPEKTSIOON (LI)**, PIC 889079400, established in MAEALUSE TN 2/3, TALLINN 12618, Estonia,

3. **SOOLISE VORDOIGUSLIKKUSE JA VORDSE KOHTLEMISE VOLINIKU KANTSELEI (VOLINIK)**, PIC 917673448, established in Kiriku 4, TALLINN 10130, Estonia,

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

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

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

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

The Agreement is composed of:

Preamble

Terms and Conditions (including Data Sheet)

Annex 1 Description of the action¹

Annex 2 Estimated budget for the action

Annex 3 Accession forms (if applicable)²

Annex 3a Declaration on joint and several liability of affiliated entities (if applicable)³

Annex 4 Model for the financial statements

Annex 5 Specific rules (if applicable)

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

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

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

TERMS AND CONDITIONS

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DATA SHEET

1. General data

Project summary:

Project summary
The project addresses the pressing issue of gender pay inequality, which persists despite existing legislation and initiatives aimed at promoting gender equality in the EU. Estonia has one of the largest gender pay gaps in the EU (21.3% in 2022). The research in Estonia suggests that pay transparency measures and gender-neutral job evaluation could contribute to the reduction of gender pay gap; at the same time there is a lack of freely available up-to-date national guidelines to conduct such evaluations required by the Pay Transparency Directive. The project's primary objective is to facilitate the implementation of the Pay Transparency Directive, and more specifically the job evaluation requirement, via various interventions. These include the analysis of potential methodologies for job evaluation and adapting one to Estonian context, offering comprehensive training to employers, and building institutional competencies on this topic via training, guidelines and learning from selected EU MS. The target groups of the project are employers and key national institutions responsible for the implementation and enforcement of the Directive. The project is carried out by the Ministry of Economic Affairs and Communication, Labour Inspectorate and the Gender Equality and Equal Treatment Commissioner.

Keywords:

- pay transparency, training, awareness raising, gender pay gap, institutional capacity, gender-neutral job evaluation, equal pay

Project number: 101191193

Project name: Supporting the implementation of Pay Transparency Directive in Estonia

Project acronym: Palk

Call: CERV-2024-GE

Topic: CERV-2024-GE

Type of action: CERV Lump Sum Grants

Granting authority: European Commission-EU

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

Project starting date: fixed date: 1 January 2025

Project end date: 31 December 2026

Project duration: 24 months

Consortium agreement: Yes

2. Participants

List of participants:

N°	Role	Short name	Legal name	Ctry	PIC	Max grant amount
1	COO	MKM	MAJANDUS JA KOMMUNIKATSIOONIMINISTEERIUM	EE	963638450	323 471.25
2	BEN	LI	TOOINSPEKTSIOON	EE	889079400	8 233.65
3	BEN	VOLINIK	SOOLISE VORDOIGUSLIKKUSE JA VORDSE KOHTLEMISE VOLINIKU KANTSELEI	EE	917673448	3 900.15
Total						335 605.05

Coordinator:

– MAJANDUS JA KOMMUNIKATSIOONIMINISTEERIUM (MKM)

3. Grant

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

Maximum grant amount (Annex 2)	Maximum grant amount (award decision)
335 605.05	335 605.05

Grant form: Lump Sum

Grant mode: Action grant

Budget categories/activity types: Lump sum contributions

Cost eligibility options: n/a

Budget flexibility: No

4. Reporting, payments and recoveries

4.1 Continuous reporting (art 21)

Deliverables: see Funding & Tenders Portal Continuous Reporting tool

4.2 Periodic reporting and payments

Reporting and payment schedule (art 21, 22):

Reporting					Payments	
Reporting periods			Type	Deadline	Type	Deadline (time to pay)
RP No	Month from	Month to				
					Initial prefinancing	30 days from entry into force/ financial guarantee (if required) – whichever is the latest
					Final payment	90 days from receiving periodic report
1	1	24	Periodic report	60 days after end of reporting period		

Prefinancing payments and guarantees:

Prefinancing payment		Prefinancing guarantee		
Type	Amount	Guarantee amount	Division per participant	
Prefinancing 1 (initial)	268 484.04	n/a	1 - MKM	n/a
			2 - LI	n/a
			3 - VOLINIK	n/a

Reporting and payment modalities (art 21, 22):

Mutual Insurance Mechanism (MIM): No

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

Interim payment ceiling (if any): 100% of the maximum grant amount

No-profit rule: n/a

Late payment interest: ECB + 3.5%

Bank account for payments:

EE891010220034796011 EEUHEE2X

Conversion into euros: n/a

Reporting language: Language of the Agreement or other EU official language, if specified in the call conditions

4.3 Certificates (art 24): n/a

4.4 Recoveries (art 22)

First-line liability for recoveries:

Beneficiary termination: Beneficiary concerned

Final payment: Coordinator

After final payment: Beneficiary concerned

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

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

Joint and several liability of affiliated entities — n/a

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

Applicable law (art 43):

Standard applicable law regime: EU law + law of Belgium

Dispute settlement forum (art 43):

Standard dispute settlement forum:

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

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

6. Other

Specific rules (Annex 5): Yes

Standard time-limits after project end:

Confidentiality (for X years after final payment): 5

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



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

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

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

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

CHAPTER 1 GENERAL

ARTICLE 1 — SUBJECT OF THE AGREEMENT

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

ARTICLE 2 — DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CHAPTER 2 ACTION

ARTICLE 3 — ACTION

The grant is awarded for the action **101191193 — Palk** ('action'), as described in Annex 1.

ARTICLE 4 — DURATION AND STARTING DATE

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

CHAPTER 3 GRANT

ARTICLE 5 — GRANT

5.1 Form of grant

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

⁶ OJ C 316, 27.11.1995, p. 48.

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

The grant is an action grant⁸ which takes the form of a lump sum grant for the completion of work packages.

5.2 Maximum grant amount

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

5.3 Funding rate

Not applicable

5.4 Estimated budget, budget categories and forms of funding

The estimated budget for the action (lump sum breakdown) is set out in Annex 2.

It contains the estimated eligible contributions for the action (lump sum contributions), broken down by participant and work package.

Annex 2 also shows the types of contributions (forms of funding)⁹ to be used for each work package.

5.5 Budget flexibility

Budget flexibility does not apply; changes to the estimated budget (lump sum breakdown) always require an amendment (see Article 39).

Amendments for transfers between *work packages* are moreover possible only if:

- the work packages concerned are not already completed (and declared in a financial statement) and
- the transfers are justified by the technical implementation of the action.

ARTICLE 6 — ELIGIBLE AND INELIGIBLE CONTRIBUTIONS

6.1 and 6.2 General and specific eligibility conditions

Lump sum contributions are eligible ('eligible contributions'), if:

- (a) they are set out in Annex 2 and
- (b) the work packages are completed and the work is properly implemented by the beneficiaries and/or the results are achieved, in accordance with Annex 1 and during in the period set out in Article 4 (with the exception of work/results relating to the submission of the final periodic report, which may be achieved afterwards; see Article 21)

They will be calculated on the basis of the amounts set out in Annex 2.

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

⁹ See Article 125 EU Financial Regulation 2018/1046.

6.3 Ineligible contributions

‘Ineligible contributions’ are:

- (a) lump sum contributions that do not comply with the conditions set out above (see Article 6.1 and 6.2)
- (b) lump sum contributions for activities already funded under other EU grants (or grants awarded by an EU Member State, non-EU country or other body implementing the EU budget), except for the following case:
 - (i) Synergy actions: not applicable
- (c) other:
 - (i) country restrictions for eligible costs: not applicable.

6.4 Consequences of non-compliance

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

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

CHAPTER 4 GRANT IMPLEMENTATION

SECTION 1 CONSORTIUM: BENEFICIARIES, AFFILIATED ENTITIES AND OTHER PARTICIPANTS

ARTICLE 7 — BENEFICIARIES

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

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

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

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

The beneficiaries (and their action) must remain eligible under the EU programme funding the grant

for the entire duration of the action. Lump sum contributions will be eligible only as long as the beneficiary and the action are eligible.

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

(a) Each beneficiary must:

- (i) keep information stored in the Portal Participant Register up to date (see Article 19)
- (ii) inform the granting authority (and the other beneficiaries) immediately of any events or circumstances likely to affect significantly or delay the implementation of the action (see Article 19)
- (iii) submit to the coordinator in good time:
 - the prefinancing guarantees (if required; see Article 23)
 - the financial statements and certificates on the financial statements (CFS): not applicable
 - the contribution to the deliverables and technical reports (see Article 21)
 - any other documents or information required by the granting authority under the Agreement
- (iv) submit via the Portal data and information related to the participation of their affiliated entities.

(b) The coordinator must:

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

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

However, coordinators which are public bodies may delegate the tasks set out in Point (b)(ii) last

indent and (iii) above to entities with ‘authorisation to administer’ which they have created or which are controlled by or affiliated to them. In this case, the coordinator retains sole responsibility for the payments and for compliance with the obligations under the Agreement.

Moreover, coordinators which are ‘sole beneficiaries’¹⁰ (or similar, such as European research infrastructure consortia (ERICs)) may delegate the tasks set out in Point (b)(i) to (iii) above to one of their members. The coordinator retains sole responsibility for compliance with the obligations under the Agreement.

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

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

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

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

ARTICLE 8 — AFFILIATED ENTITIES

Not applicable

ARTICLE 9 — OTHER PARTICIPANTS INVOLVED IN THE ACTION

9.1 Associated partners

Not applicable

9.2 Third parties giving in-kind contributions to the action

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

Third parties giving in-kind contributions do not implement any action tasks. They may not charge contributions to the action (no lump sum contributions) and the costs for the in-kind contributions are not eligible (may not be included in the estimated budget in Annex 2).

¹⁰ For the definition, see Article 187(2) EU Financial Regulation 2018/1046: “Where several entities satisfy the criteria for being awarded a grant and together form one entity, that entity may be treated as the **sole beneficiary**, including where it is specifically established for the purpose of implementing the action financed by the grant.”

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

9.3 Subcontractors

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

Subcontractors must implement their action tasks in accordance with Article 11. The beneficiaries' costs for subcontracting are considered entirely covered by the lump sum contributions for implementing the work packages (irrespective of the actual subcontracting costs incurred, if any).

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

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

9.4 Recipients of financial support to third parties

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

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

ARTICLE 10 — PARTICIPANTS WITH SPECIAL STATUS

10.1 Non-EU participants

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

- to respect general principles (including fundamental rights, values and ethical principles, environmental and labour standards, rules on classified information, intellectual property rights, visibility of funding and protection of personal data)
- for the submission of certificates under Article 24: use qualified external auditors which are independent and comply with comparable standards as those set out in EU Directive 2006/43/EC¹¹
- for the controls under Article 25: allow for checks, reviews, audits and investigations (including on-the-spot checks, visits and inspections) by the bodies mentioned in that Article (e.g. granting authority, OLAF, Court of Auditors (ECA), etc.).

¹¹ Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts or similar national regulations (OJ L 157, 9.6.2006, p. 87).

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

10.2 Participants which are international organisations

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

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

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

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

10.3 Pillar-assessed participants

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

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

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

- record-keeping (Article 20): may be done in accordance with internal standards, rules and procedures
- currency conversion for financial statements (Article 21): may be done in accordance with usual accounting practices
- guarantees (Article 23): for public law bodies, prefinancing guarantees are not needed
- certificates (Article 24):
 - certificates on the financial statements (CFS): may be provided by their regular internal or external auditors and in accordance with their internal financial regulations and procedures

- certificates on usual accounting practices (CoMUC): are not needed if those practices are covered by an ex-ante assessment

and use the following specific rules, for:

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

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

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

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

- eligibility (Article 6)
- consortium roles and set-up (Articles 7-9)
- security and ethics (Articles 13, 14)

- IPR (including background and results, access rights and rights of use), communication, dissemination and visibility (Articles 16 and 17)
- information obligation (Article 19)
- payment, reporting and amendments (Articles 21, 22 and 39)
- rejections, reductions, suspensions and terminations (Articles 27, 28, 29-32)

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

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

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

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

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

SECTION 2 RULES FOR CARRYING OUT THE ACTION

ARTICLE 11 — PROPER IMPLEMENTATION OF THE ACTION

11.1 Obligation to properly implement the action

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

11.2 Consequences of non-compliance

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

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

ARTICLE 12 — CONFLICT OF INTERESTS

12.1 Conflict of interests

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

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

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

12.2 Consequences of non-compliance

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

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

ARTICLE 13 — CONFIDENTIALITY AND SECURITY

13.1 Sensitive information

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

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

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

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

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

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

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

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

The confidentiality obligations no longer apply if:

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

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

13.2 Classified information

The parties must handle classified information in accordance with the applicable EU, international or national law on classified information (in particular, Decision 2015/444¹² and its implementing rules).

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

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

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

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

13.3 Consequences of non-compliance

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

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

ARTICLE 14 — ETHICS AND VALUES

14.1 Ethics

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

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

14.2 Values

The beneficiaries must commit to and ensure the respect of basic EU values (such as respect for

¹² Commission Decision 2015/444/EC, Euratom of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

human dignity, freedom, democracy, equality, the rule of law and human rights, including the rights of minorities).

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

14.3 Consequences of non-compliance

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

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

ARTICLE 15 — DATA PROTECTION

15.1 Data processing by the granting authority

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

For grants where the granting authority is the European Commission, an EU regulatory or executive agency, joint undertaking or other EU body, the processing will be subject to Regulation 2018/1725¹³.

15.2 Data processing by the beneficiaries

The beneficiaries must process personal data under the Agreement in compliance with the applicable EU, international and national law on data protection (in particular, Regulation 2016/679¹⁴).

They must ensure that personal data is:

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

¹³ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

¹⁴ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC ('GDPR') (OJ L 119, 4.5.2016, p. 1).

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

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

15.3 Consequences of non-compliance

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

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

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

16.1 Background and access rights to background

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

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

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

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

16.2 Ownership of results

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

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

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

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

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

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

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

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

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

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

16.4 Specific rules on IPR, results and background

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

16.5 Consequences of non-compliance

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

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

ARTICLE 17 — COMMUNICATION, DISSEMINATION AND VISIBILITY

17.1 Communication — Dissemination — Promoting the action

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

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

17.2 Visibility — European flag and funding statement

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



Funded by the
European Union



Co-funded by the
European Union



Funded by the
European Union



Co-funded by the
European Union

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

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

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

For the purposes of their obligations under this Article, the beneficiaries may use the emblem without first obtaining approval from the granting authority. This does not, however, give them the right to

exclusive use. Moreover, they may not appropriate the emblem or any similar trademark or logo, either by registration or by any other means.

17.3 Quality of information — Disclaimer

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

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

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

17.4 Specific communication, dissemination and visibility rules

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

17.5 Consequences of non-compliance

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

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

ARTICLE 18 — SPECIFIC RULES FOR CARRYING OUT THE ACTION

Not applicable

SECTION 3 GRANT ADMINISTRATION

ARTICLE 19 — GENERAL INFORMATION OBLIGATIONS

19.1 Information requests

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

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

19.2 Participant Register data updates

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

19.3 Information about events and circumstances which impact the action

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

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

19.4 Consequences of non-compliance

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

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

ARTICLE 20 — RECORD-KEEPING

20.1 Keeping records and supporting documents

The beneficiaries must — at least until the time-limit set out in the Data Sheet (see Point 6) — keep records and other supporting documents to prove the proper implementation of the action (proper implementation of the work and/or achievement of the results as described in Annex 1) in line with the accepted standards in the respective field (if any); beneficiaries do not need to keep specific records on the actual costs incurred.

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

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

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

20.2 Consequences of non-compliance

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

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

ARTICLE 21 — REPORTING

21.1 Continuous reporting

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

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

21.2 Periodic reporting: Technical reports and financial statements

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

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

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

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

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

The financial part of the periodic report includes:

- the financial statement (consolidated statement for the consortium)
- the explanation on the use of resources (or detailed cost reporting table): not applicable
- the certificates on the financial statements (CFS): not applicable.

The **financial statement** must contain the lump sum contributions indicated in Annex 2, for the work packages that were completed during the reporting period.

For the last reporting period, the beneficiaries may exceptionally also declare partial lump sum contributions for work packages that were not completed (e.g. due to force majeure or technical impossibility).

Lump sum contributions which are not declared in a financial statement will not be taken into account by the granting authority.

By signing the financial statement (directly in the Portal Periodic Reporting tool), the coordinator confirms (on behalf of the consortium) that:

- the information provided is complete, reliable and true

- the lump sum contributions declared are eligible (in particular, the work packages have been completed, that the work has been properly implemented and/or the results were achieved in accordance with Annex 1; see Article 6)
- the proper implementation and/or achievement can be substantiated by adequate records and supporting documents (see Article 20) that will be produced upon request (see Article 19) or in the context of checks, reviews, audits and investigations (see Article 25).

In case of recoveries (see Article 22), beneficiaries will be held responsible also for the lump sum contributions declared for their affiliated entities (if any).

21.3 Currency for financial statements and conversion into euros

The financial statements must be drafted in euro.

21.4 Reporting language

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

21.5 Consequences of non-compliance

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

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

ARTICLE 22 — PAYMENTS AND RECOVERIES — CALCULATION OF AMOUNTS DUE

22.1 Payments and payment arrangements

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

They will be made in euro to the bank account indicated by the coordinator (see Data Sheet, Point 4.2) and must be distributed without unjustified delay (restrictions may apply to distribution of the initial prefinancing payment; see Data Sheet, Point 4.2).

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

The cost of payment transfers will be borne as follows:

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

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

22.2 Recoveries

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

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

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

In case of enforced recoveries (see Article 22.4):

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

22.3 Amounts due

22.3.1 Prefinancing payments

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

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

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

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

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

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

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

22.3.2 Amount due at beneficiary termination — Recovery

In case of beneficiary termination, the granting authority will determine the provisional amount due for the beneficiary concerned.

This will be done on the basis of work packages already completed in previous interim payments. Payments for ongoing/not yet completed work packages which the beneficiary was working on before termination (if any) will therefore be made only later on, with the next interim or final payments when those work packages have been completed.

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

Step 1 — Calculation of the total accepted EU contribution

Step 1 — Calculation of the total accepted EU contribution

The granting authority will first calculate the ‘accepted EU contribution’ for the beneficiary, on the basis of the beneficiary’s lump sum contributions for the work packages which were approved in previous interim payments.

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

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

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

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

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

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

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

22.3.3 Interim payments

Interim payments reimburse the eligible lump sum contributions claimed for work packages implemented during the reporting periods (if any).

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

Payment is subject to the approval of the periodic report and the work packages declared. Their approval does not imply recognition of compliance, authenticity, completeness or correctness of their content.

Incomplete work packages and work packages that have not been delivered or cannot be approved will be rejected (see Article 27).

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

Step 1 — Calculation of the total accepted EU contribution

Step 2 — Limit to the interim payment ceiling

Step 1 — Calculation of the total accepted EU contribution

The granting authority will first calculate the ‘accepted EU contribution’ for the action for the reporting period, by calculating the lump sum contributions for the approved work packages.

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

Step 2 — Limit to the interim payment ceiling

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

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

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

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

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

The final payment (payment of the balance) reimburses the remaining eligible lump sum contributions claimed for the implemented work packages (if any).

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

Payment is subject to the approval of the final periodic report and the work packages declared. Their approval does not imply recognition of compliance, authenticity, completeness or correctness of their content.

Work packages (or parts of them) that have not been delivered or cannot be approved will be rejected (see Article 27).

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

Step 1 — Calculation of the total accepted EU contribution

Step 2 — Limit to the maximum grant amount

Step 3 — Reduction due to the no-profit rule

Step 1 — Calculation of the total accepted EU contribution

The granting authority will first calculate the ‘accepted EU contribution’ for the action for all reporting periods, by calculating the lump sum contributions for the approved work packages.

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

Step 2 — Limit to the maximum grant amount

Not applicable

Step 3 — Reduction due to the no-profit rule

Not applicable

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

$$\begin{aligned} &\{\text{final grant amount} \\ &\text{minus} \\ &\{\text{prefinancing and interim payments made (if any)}\}\}. \end{aligned}$$

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

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

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

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

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

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

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

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

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

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

If — after the final payment (in particular, after checks, reviews, audits or investigations; see

Article 25) — the granting authority rejects lump sum contributions (see Article 27) or reduces the grant (see Article 28), it will calculate the **revised final grant amount** for the beneficiary concerned.

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

Step 1 — Calculation of the revised total accepted EU contribution

Step 1 — Calculation of the revised total accepted EU contribution

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

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

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

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

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

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

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

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

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

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

22.4 Enforced recovery

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

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

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

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

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

The amount to be recovered will be increased by **late-payment interest** at the rate set out in Article 23.5, from the day following the payment date in the debit note, up to and including the date the full payment is received.

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

Bank charges incurred in the recovery process will be borne by the beneficiary, unless Directive 2015/2366¹⁵ applies.

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

22.5 Consequences of non-compliance

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

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

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

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

¹⁵ Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (OJ L 337, 23.12.2015, p. 35).

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

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

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

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

ARTICLE 23 — GUARANTEES

23.1 Prefinancing guarantee

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

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

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

- (a) be provided by a bank or approved financial institution established in the EU or — if requested by the coordinator and accepted by the granting authority — by a third party or a bank or financial institution established outside the EU offering equivalent security
- (b) the guarantor stands as first-call guarantor and does not require the granting authority to first have recourse against the principal debtor (i.e. the beneficiary concerned) and
- (c) remain explicitly in force until the final payment and, if the final payment takes the form of a recovery, until five months after the debit note is notified to a beneficiary.

They will be released within the following month.

23.2 Consequences of non-compliance

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

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

ARTICLE 24 — CERTIFICATES

Not applicable

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

25.1 Granting authority checks, reviews and audits

25.1.1 Internal checks

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

25.1.2 Project reviews

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

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

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

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

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

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

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

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

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

Project reviews (including project review reports) will be in the language of the Agreement, unless otherwise agreed with the granting authority (see Data Sheet, Point 4.2).

25.1.3 Audits

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

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

The granting authority may use its own audit service, delegate audits to a centralised service or use

external audit firms. If it uses an external firm, the beneficiary concerned will be informed and have the right to object on grounds of commercial confidentiality or conflict of interest.

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

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

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

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

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

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

Audits (including audit reports) will be in the language of the Agreement, unless otherwise agreed with the granting authority (see Data Sheet, Point 4.2).

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

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

25.3 Access to records for assessing simplified forms of funding

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

25.4 OLAF, EPPO and ECA audits and investigations

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

- the European Anti-Fraud Office (OLAF) under Regulations No 883/2013¹⁶ and No 2185/96¹⁷
- the European Public Prosecutor's Office (EPPO) under Regulation 2017/1939

¹⁶ Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18/09/2013, p. 1).

¹⁷ Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15/11/1996, p. 2).

- the European Court of Auditors (ECA) under Article 287 of the Treaty on the Functioning of the EU (TFEU) and Article 257 of EU Financial Regulation 2018/1046.

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

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

25.5 Consequences of checks, reviews, audits and investigations — Extension of findings

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

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

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

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

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

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

25.5.2 Extension from other grants

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

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

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

If the extension concerns **rejections of lump sum contributions**: the notification will include:

- (a) an invitation to submit observations on the list of grants affected by the findings
- (b) the request to submit revised financial statements for all grants affected

- (c) the correction rate for extrapolation, established on the basis of the systemic or recurrent errors, to calculate the amounts to be rejected, if the beneficiary concerned:
 - (i) considers that the submission of revised financial statements is not possible or practicable or
 - (ii) does not submit revised financial statements.

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

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

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

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

25.6 Consequences of non-compliance

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

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

ARTICLE 26 — IMPACT EVALUATIONS

26.1 Impact evaluation

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

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

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

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

26.2 Consequences of non-compliance

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

CHAPTER 5 CONSEQUENCES OF NON-COMPLIANCE

SECTION 1 REJECTIONS AND GRANT REDUCTION

ARTICLE 27 — REJECTION OF CONTRIBUTIONS

27.1 Conditions

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

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

Ineligible lump sum contributions will be rejected.

27.2 Procedure

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

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

27.3 Effects

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

ARTICLE 28 — GRANT REDUCTION

28.1 Conditions

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

- (a) the beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed:
 - (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.), or
- (b) the beneficiary (or a person having powers of representation, decision-making or control, or

person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings; see Article 25.5).

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

28.2 Procedure

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

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

28.3 Effects

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

SECTION 2 SUSPENSION AND TERMINATION

ARTICLE 29 — PAYMENT DEADLINE SUSPENSION

29.1 Conditions

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

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

29.2 Procedure

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

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

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

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

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

ARTICLE 30 — PAYMENT SUSPENSION

30.1 Conditions

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

- (a) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed or is suspected of having committed:
 - (i) substantial errors, irregularities or fraud or
 - (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.), or
- (b) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings; see Article 25.5).

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

30.2 Procedure

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

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

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

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

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

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

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

ARTICLE 31 — GRANT AGREEMENT SUSPENSION

31.1 Consortium-requested GA suspension

31.1.1 Conditions and procedure

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

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

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

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

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

During the suspension, no prefinancing will be paid. Moreover, no work may be done. Ongoing work packages must be interrupted and no new work packages may be started.

31.2 EU-initiated GA suspension

31.2.1 Conditions

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

- (a) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed or is suspected of having committed:
 - (i) substantial errors, irregularities or fraud or

- (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.), or
- (b) a beneficiary (or a person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings; see Article 25.5)
- (c) other:
 - (i) linked action issues: not applicable
 - (ii) additional GA suspension grounds: not applicable.

31.2.2 Procedure

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

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

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

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

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

During the suspension, no prefinancing will be paid. Moreover, no work may be done. Ongoing work packages must be interrupted and no new work packages may be started.

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

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

ARTICLE 32 — GRANT AGREEMENT OR BENEFICIARY TERMINATION

32.1 Consortium-requested GA termination

32.1.1 Conditions and procedure

The beneficiaries may request the termination of the grant.

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

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

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

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

32.1.2 Effects

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

The granting authority will calculate the final grant amount and final payment on the basis of the report submitted and taking into account the lump sum contributions for activities implemented before the end of work date (see Article 22). Partial lump sum contributions for work packages that were not completed (e.g. due to technical reasons) may exceptionally be taken into account.

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

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

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

32.2 Consortium-requested beneficiary termination

32.2.1 Conditions and procedure

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

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

- the reasons why

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

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

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

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

32.2.2 Effects

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

- (i) a **report on the distribution of payments** to the beneficiary concerned
- (ii) a **termination report** from the beneficiary concerned, for the open reporting period until termination, containing an overview of the progress of the work
- (iii) a second **request for amendment** (see Article 39) with other amendments needed (e.g. reallocation of the tasks and the estimated budget of the terminated beneficiary; addition of a new beneficiary to replace the terminated beneficiary; change of coordinator, etc.).

The granting authority will calculate the amount due to the beneficiary on the basis of the reports submitted in previous interim payments (i.e. beneficiary's lump sum contributions for completed and approved work packages).

Lump sum contributions for ongoing/not yet completed work packages will have to be included in the periodic report for the next reporting periods when those work packages have been completed.

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

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

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

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

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

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

32.3 EU-initiated GA or beneficiary termination

32.3.1 Conditions

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

- (a) one or more beneficiaries do not accede to the Agreement (see Article 40)
- (b) a change to the action or the legal, financial, technical, organisational or ownership situation of a beneficiary is likely to substantially affect the implementation of the action or calls into question the decision to award the grant (including changes linked to one of the exclusion grounds listed in the declaration of honour)
- (c) following termination of one or more beneficiaries, the necessary changes to the Agreement (and their impact on the action) would call into question the decision awarding the grant or breach the principle of equal treatment of applicants
- (d) implementation of the action has become impossible or the changes necessary for its continuation would call into question the decision awarding the grant or breach the principle of equal treatment of applicants
- (e) a beneficiary (or person with unlimited liability for its debts) is subject to bankruptcy proceedings or similar (including insolvency, winding-up, administration by a liquidator or court, arrangement with creditors, suspension of business activities, etc.)
- (f) a beneficiary (or person with unlimited liability for its debts) is in breach of social security or tax obligations
- (g) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has been found guilty of grave professional misconduct
- (h) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed fraud, corruption, or is involved in a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking
- (i) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) was created under a different jurisdiction with the intent to circumvent fiscal, social or other legal obligations in the country of origin (or created another entity with this purpose)
- (j) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed:
 - (i) substantial errors, irregularities or fraud or

- (ii) serious breach of obligations under this Agreement or during its award (including improper implementation of the action, non-compliance with the call conditions, submission of false information, failure to provide required information, breach of ethics or security rules (if applicable), etc.)
- (k) a beneficiary (or person having powers of representation, decision-making or control, or person essential for the award/implementation of the grant) has committed — in other EU grants awarded to it under similar conditions — systemic or recurrent errors, irregularities, fraud or serious breach of obligations that have a material impact on this grant (extension of findings; see Article 25.5)
- (l) despite a specific request by the granting authority, a beneficiary does not request — through the coordinator — an amendment to the Agreement to end the participation of one of its affiliated entities or associated partners that is in one of the situations under points (d), (f), (e), (g), (h), (i) or (j) and to reallocate its tasks, or
- (m) other:
 - (i) linked action issues: not applicable
 - (ii) additional GA termination grounds: not applicable.

32.3.2 Procedure

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

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

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

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

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

32.3.3 Effects

(a) for GA termination:

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

The granting authority will calculate the final grant amount and final payment on the basis of the report submitted and taking into account the lump sum contributions for activities implemented before termination takes effect (see Article 22). Partial lump sum contributions

for work packages that were not completed (e.g. due to technical reasons) may exceptionally be taken into account.

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

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

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

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

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

(b) for beneficiary termination:

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

- (i) a **report on the distribution of payments** to the beneficiary concerned
- (ii) a **termination report** from the beneficiary concerned, for the open reporting period until termination, containing an overview of the progress of the work
- (iii) a **request for amendment** (see Article 39) with any amendments needed (e.g. reallocation of the tasks and the estimated budget of the terminated beneficiary; addition of a new beneficiary to replace the terminated beneficiary; change of coordinator, etc.).

The granting authority will calculate the amount due to the beneficiary on the basis of the reports submitted in previous interim payments (i.e. beneficiary's lump sum contributions for completed and approved work packages).

Lump sum contributions for ongoing/not yet completed work packages will have to be included in the periodic report for the next reporting periods when those work packages have been completed.

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

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

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

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

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

SECTION 3 OTHER CONSEQUENCES: DAMAGES AND ADMINISTRATIVE SANCTIONS

ARTICLE 33 — DAMAGES

33.1 Liability of the granting authority

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

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

33.2 Liability of the beneficiaries

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

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

ARTICLE 34 — ADMINISTRATIVE SANCTIONS AND OTHER MEASURES

Nothing in this Agreement may be construed as preventing the adoption of administrative sanctions (i.e. exclusion from EU award procedures and/or financial penalties) or other public law measures, in addition or as an alternative to the contractual measures provided under this Agreement (see, for instance, Articles 135 to 145 EU Financial Regulation 2018/1046 and Articles 4 and 7 of Regulation 2988/95¹⁸).

SECTION 4 FORCE MAJEURE

ARTICLE 35 — FORCE MAJEURE

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

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

‘Force majeure’ means any situation or event that:

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

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

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

CHAPTER 6 FINAL PROVISIONS

ARTICLE 36 — COMMUNICATION BETWEEN THE PARTIES

36.1 Forms and means of communication — Electronic management

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

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

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

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

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

36.2 Date of communication

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

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

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

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

36.3 Addresses for communication

The Portal can be accessed via the Europa website.

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

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

ARTICLE 37 — INTERPRETATION OF THE AGREEMENT

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

Annex 5 takes precedence over the Terms and Conditions.

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

Annex 2 takes precedence over Annex 1.

ARTICLE 38 — CALCULATION OF PERIODS AND DEADLINES

In accordance with Regulation No 1182/71¹⁹, periods expressed in days, months or years are calculated from the moment the triggering event occurs.

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

‘Days’ means calendar days, not working days.

ARTICLE 39 — AMENDMENTS

39.1 Conditions

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

Amendments may be requested by any of the parties.

39.2 Procedure

¹⁹ Regulation (EEC, Euratom) No 1182/71 of the Council of 3 June 1971 determining the rules applicable to periods, dates and time-limits (OJ L 124, 8/6/1971, p. 1).

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

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

The request for amendment must include:

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

The granting authority may request additional information.

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

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

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

ARTICLE 40 — ACCESSION AND ADDITION OF NEW BENEFICIARIES

40.1 Accession of the beneficiaries mentioned in the Preamble

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

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

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

40.2 Addition of new beneficiaries

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

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

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

Additions are also possible in mono-beneficiary grants.

ARTICLE 41 — TRANSFER OF THE AGREEMENT

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

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

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

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

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

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

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

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

ARTICLE 43 — APPLICABLE LAW AND SETTLEMENT OF DISPUTES

43.1 Applicable law

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

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

43.2 Dispute settlement

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

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

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

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

For grants where the granting authority is an EU executive agency (see Preamble), actions against offsetting and enforceable decisions must be brought against the European Commission (not against the granting authority; see also Article 22).

ARTICLE 44 — ENTRY INTO FORCE

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

SIGNATURES

For the coordinator

For the granting authority

ANNEX 1



Citizens, Equality, Rights and Values Programme (CERV)

Description of the action (DoA)

Part A

Part B

DESCRIPTION OF THE ACTION (PART A)

COVER PAGE

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

PROJECT	
Grant Preparation (General Information screen) — Enter the info.	
Project number:	101191193
Project name:	Supporting the implementation of Pay Transparency Directive in Estonia
Project acronym:	Palk
Call:	CERV-2024-GE
Topic:	CERV-2024-GE
Type of action:	CERV-LS
Service:	JUST/H/03
Project starting date:	fixed date: 1 January 2025
Project duration:	24 months

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PROJECT SUMMARY

Project summary

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

Use the project summary from your proposal.

The project addresses the pressing issue of gender pay inequality, which persists despite existing legislation and initiatives aimed at promoting gender equality in the EU. Estonia has one of the largest gender pay gaps in the EU (21.3% in 2022). The research in Estonia suggests that pay transparency measures and gender-neutral job evaluation could contribute to the reduction of gender pay gap; at the same time there is a lack of freely available up-to-date national guidelines to conduct such evaluations required by the Pay Transparency Directive.

The project's primary objective is to facilitate the implementation of the Pay Transparency Directive, and more specifically the job evaluation requirement, via various interventions. These include the analysis of potential methodologies for job evaluation and adapting one to Estonian context, offering comprehensive training to employers, and building institutional competencies on this topic via training, guidelines and learning from selected EU MS.

The target groups of the project are employers and key national institutions responsible for the implementation and enforcement of the Directive. The project is carried out by the Ministry of Economic Affairs and Communication, Labour Inspectorate and the Gender Equality and Equal Treatment Commissioner.

LIST OF PARTICIPANTS

PARTICIPANTS

Grant Preparation (Beneficiaries screen) — Enter the info.

Number	Role	Short name	Legal name	Country	PIC
1	COO	MKM	MAJANDUS JA KOMMUNIKATSIOONIMINISTEERIUM	EE	963638450
2	BEN	LI	TOOINSPEKTSIOON	EE	889079400
3	BEN	VOLINIK	SOOLISE VORDOIGUSLIKKUSE JA VORDSE KOHTLEMISE VOLINIKU KANTSELEI	EE	917673448

LIST OF WORK PACKAGES

Work packages <i>Grant Preparation (Work Packages screen) — Enter the info.</i>						
Work Package No	Work Package name	Lead Beneficiary	Effort (Person-Months)	Start Month	End Month	Deliverables
WP1	Project management and coordination	1 - MKM	0.00	1	24	D1.1 – Inception report D1.2 – Mid-term report
WP2	Selection, adaptation, and publishing of job evaluation methodology	1 - MKM	0.00	1	12	D2.1 – Research and analysis report D2.2 – Adapted methodology and guidelines
WP3	Employers' capacity building	1 - MKM	0.00	9	24	D3.1 – E-training course for employers D3.2 – Final Report on Training Outcomes
WP4	Institutional capacity building	1 - MKM	0.00	9	18	D4.1 – Training and guiding materials D4.2 – Training materials for awereness raising D4.3 – Study Trip Report
WP5	Communication and dissemination	1 - MKM	0.00	1	24	D5.1 – Communication and dissemination plan D5.2 – Project web-page

Work package WP1 – Project management and coordination

Work Package Number	WP1	Lead Beneficiary	1 - MKM
Work Package Name	Project management and coordination		
Start Month	1	End Month	24

Objectives

The objective of WP1 is to ensure the overall management, administration, coordination and execution of the project is in accordance with the expectations of the call and Grant Agreement (GA) and to guarantee the highest ethical and quality standards in the execution and deliverables.

Description

This WP includes: Project inception, Managing consortium operations, Financial and administrative management, Quality, data and ethics management.

Work package WP2 – Selection, adaptation, and publishing of job evaluation methodology

Work Package Number	WP2	Lead Beneficiary	1 - MKM
Work Package Name	Selection, adaptation, and publishing of job evaluation methodology		
Start Month	1	End Month	12

Objectives

The objective of WP2 is to find a suitable methodology for job evaluation and classification, to adapt it to Estonian context and make it available to employers.

Description

This WP includes: Procurement for developing the methodology and support materials, Developing the methodology and support materials, Selecting the methodology for Estonia, Securing the licenses and permissions for the adoption of the methodology, Making the materials available for the employers.

Work package WP3 – Employers' capacity building

Work Package Number	WP3	Lead Beneficiary	1 - MKM
Work Package Name	Employers' capacity building		
Start Month	9	End Month	24

Objectives

The objective of WP3 is to equip employers with the knowledge and skills needed to address the gender pay gap and implement gender-neutral job evaluation and classification methods. Through targeted training, employers will learn to recognize and mitigate wage disparities, fostering a culture of pay transparency and equity in the workplace.

Description

This WP includes: Procurement of the training activities and In-person and e-training to employers.

Work package WP4 – Institutional capacity building

Work Package Number	WP4	Lead Beneficiary	1 - MKM
Work Package Name	Institutional capacity building		
Start Month	9	End Month	18

Objectives

The objective of WP4 is to build institutional capacity within the Ministry of Economic Affairs and Communication (MKM), Labour Inspectorate (TI) and the Gender Equality and Equal Treatment Commissioner (Volinik) on gender pay gap, gender-neutral job assessment, classification and pay setting and on the selected methodology so they can provide more informed guidance and support to employers, thereby contributing to the successful implementation of the Pay Transparency Directive.

Description

This WP includes: Awareness raising training for institutions, Specific procedural training for the Labour Inspectorate, Guidance materials for the Labour Inspectorate, Study trip.

Work package WP5 – Communication and dissemination

Work Package Number	WP5	Lead Beneficiary	1 - MKM
Work Package Name	Communication and dissemination		
Start Month	1	End Month	24

Objectives

The objective of WP5 to disseminate the project information and results to stakeholders and public and increase the awareness of the target group of the methodology, guidelines and e-training developed during the project and thus also of the Pay Transparency Directive.

Description

The WP includes: development of communication and dissemination plan, communication and dissemination management, Creating project website

STAFF EFFORT

Staff effort per participant <i>Grant Preparation (Work packages - Effort screen) — Enter the info.</i>						
Participant	WP1	WP2	WP3	WP4	WP5	Total Person-Months
Total Person-Months	0.00	0.00	0.00	0.00	0.00	0.00

LIST OF DELIVERABLES

Deliverables <i>Grant Preparation (Deliverables screen) — Enter the info.</i> <i>The labels used mean:</i> <i>Public — fully open (⚠ automatically posted online)</i> <i>Sensitive — limited under the conditions of the Grant Agreement</i> <i>EU classified —RESTREINT-UE/EU-RESTRICTED, CONFIDENTIEL-UE/EU-CONFIDENTIAL, SECRET-UE/EU-SECRET under Decision 2015/444</i>						
Deliverable No	Deliverable Name	Work Package No	Lead Beneficiary	Type	Dissemination Level	Due Date (month)
D1.1	Inception report	WP1	1 - MKM	R — Document, report	SEN - Sensitive	1
D1.2	Mid-term report	WP1	1 - MKM	R — Document, report	SEN - Sensitive	12
D2.1	Research and analysis report	WP2	1 - MKM	R — Document, report	PU - Public	10
D2.2	Adapted methodology and guidelines	WP2	1 - MKM	R — Document, report	PU - Public	12
D3.1	E-training course for employers	WP3	1 - MKM	DEC —Websites, patent filings, videos, etc	PU - Public	24
D3.2	Final Report on Training Outcomes	WP3	1 - MKM	R — Document, report	SEN - Sensitive	24
D4.1	Training and guiding materials	WP4	2 - LI	R — Document, report	SEN - Sensitive	18
D4.2	Training materials for awereness raising	WP4	1 - MKM	R — Document, report	SEN - Sensitive	16
D4.3	Study Trip Report	WP4	1 - MKM	R — Document, report	SEN - Sensitive	15
D5.1	Communication and dissemination plan	WP5	1 - MKM	R — Document, report	SEN - Sensitive	1
D5.2	Project web-page	WP5	1 - MKM	DEC —Websites, patent filings, videos, etc	PU - Public	3

Deliverable D1.1 – Inception report

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

Description
Inception report includes the updated project plan and timetable, and minutes of the inception meeting. The document is a MS Word or PDF document in Estonian.

Deliverable D1.2 – Mid-term report

Deliverable Number	D1.2	Lead Beneficiary	1 - MKM
Deliverable Name	Mid-term report		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	12	Work Package No	WP1

Description
Mid-term report includes the project progress review, outcome review, risk and issue overview, if any issues has been encountered as well as the steps to resolve them.

Deliverable D2.1 – Research and analysis report

Deliverable Number	D2.1	Lead Beneficiary	1 - MKM
Deliverable Name	Research and analysis report		
Type	R — Document, report	Dissemination Level	PU - Public
Due Date (month)	10	Work Package No	WP2

Description
<p>The aim of the report is to assist in deciding which job evaluation methodology could be made available to all employers in Estonia and used as the foundation for future training programs. The report can be used also by the employers in deciding which methodology to use in their organisation.</p> <p>The report will include:</p> <ul style="list-style-type: none"> - A detailed explanation of the criteria and process used to select the foreign practices included in the research - The descriptions of the foreign methodologies (at least 3 international methodologies will be covered): identified pros and cons, implementation problems, results of the implementation - The analysis of the Estonian public sector methodology. <p>Objective: The goal of the report is to assist in deciding which job evaluation methodology could be made available to all employers in Estonia and used as the foundation for future training programs.</p> <p>The report will be in Estonian and will be disseminated directly to the stakeholders, though projects webpage as well as in partners webpages and other channels. The report is at minimum 40 pages.</p>

Deliverable D2.2 – Adapted methodology and guidelines

Deliverable Number	D2.2	Lead Beneficiary	1 - MKM
Deliverable Name	Adapted methodology and guidelines		
Type	R — Document, report	Dissemination Level	PU - Public
Due Date (month)	12	Work Package No	WP2

Description
<p>The aim of the methodology and the guidelines is to: 1) provide comprehensive description of the methodology and its implementation; 2) to provide employers with a clear, practical, and accessible tool for practical implementation of gender-neutral job evaluations.</p> <p>The adapted and translated job evaluation methodology, along with guidelines, will be published on the Labour Inspectorate, project's and the www.tooelu.ee website. The methodology and guidelines will be provided in Estonian. The methodology and guidelines are intended for the employers, especially the managers and HR personnel.</p> <p>The methodology will be provided in a written form covering the comprehensive overview of the methodology including definitions and principles for job evaluation. The guidelines will be at a minimum provided in written form, but depending on the methodology should include elements such as checklists, step-by-step guidance, videos, tables etc. The guidelines will provide practical assistance, examples and instructions how to integrate the methodology into organisation's human resources practices.</p>

Deliverable D3.1 – E-training course for employers

Deliverable Number	D3.1	Lead Beneficiary	1 - MKM
Deliverable Name	E-training course for employers		
Type	DEC — Websites, patent filings, videos, etc	Dissemination Level	PU - Public
Due Date (month)	24	Work Package No	WP3

Description
<p>E-training of up to 8 academic hours of self-paced learning in video, text and exercises format in Estonian with English subtitles available at https://digiriigiakadeemia.ee/</p> <p>It is aimed at HR specialists and managers, preparing them to assess job value, create equitable pay systems, and report on gender pay gaps. The goal is to reach 500 HR specialists and managers with the course by 2028. The objective of the e-training is to provide tools and knowledge for fair job evaluation, transparent pay systems, and gender pay gap reporting, with a practical focus on implementation.</p> <p>The topics, that the e-training covers: gender pay gap, Pay Transparency Directive, gender-neutral job evaluation, methodology implementation, and reporting on pay gaps.</p>

Deliverable D3.2 – Final Report on Training Outcomes

Deliverable Number	D3.2	Lead Beneficiary	1 - MKM
Deliverable Name	Final Report on Training Outcomes		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	24	Work Package No	WP3

Description
<p>The final report will provide a comprehensive overview of the training sessions conducted, summarizing key insights, achievements, and recommendations for future steps. It is aimed at training organizers within governments and also other organizations, as well as trainers who are involved in developing and delivering similar programs. The report will include a detailed summary of all training sessions, covering topics topics, and the number of participants. The minimum numbers of participants in the training is 450 (planned number of participants is 500). It will also analyze participant feedback, presenting both quantitative data on satisfaction levels and qualitative comments on the content and delivery of the training.</p> <p>Additionally, the report will assess the extent to which the training objectives were met. Key insights and lessons learned will be highlighted, including challenges faced and best practices identified during the training. Based on these findings, the report will offer at least five key recommendations for further development of training content, methodologies, and participant engagement strategies.</p> <p>The report will be in Estonian and will be disseminated among project partners and stakeholders. The report will be at minimum 8 pages long.</p>

Deliverable D4.1 – Training and guiding materials

Deliverable Number	D4.1	Lead Beneficiary	2 - LI
Deliverable Name	Training and guiding materials		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	18	Work Package No	WP4

Description
<p>The aim of the training, training and guidance materials is to equip Labour Inspectorate officials with the comprehensive knowledge and practical tools necessary to effectively monitor compliance with pay transparency regulations and provide employers with accurate guidance and support. The target group for the training is 15-20 persons. The materials are designed to enable self-directed learning to ensure sustainability and ongoing capability development within the Labour Inspectorate.</p> <p>The training and guiding materials will be primarily provided in a written format (MS Word, PDF, PPT slides) with potential links to relevant videos if needed. The materials will be available in Estonian.</p> <p>These materials are designed specifically for Labour Inspectorate officials who will be responsible for conducting oversight and providing guidance to employers on the implementation of pay transparency policies and job evaluation practices.</p> <p>The materials will cover key areas to support officials in their supervisory and advisory roles, including:</p> <ul style="list-style-type: none"> • Overview of Pay Transparency requirements in Estonia and its implications for employers. • Guidance on conducting inspections and assessing compliance with pay transparency requirements. • Step-by-step procedures for advising employers on gender-neutral job evaluation and classification systems. • Best practices for identifying and addressing non-compliance. • Frequently asked questions (FAQs) and practical scenarios to assist officials in handling common issues.

Deliverable D4.2 – Training materials for awereness raising

Deliverable Number	D4.2	Lead Beneficiary	1 - MKM
Deliverable Name	Training materials for awereness raising		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	16	Work Package No	WP4

Description
<p>The training materials will be primarily provided in written format (MS Word, PDF, PPT slides) and may include links to relevant videos if necessary. The materials will be available in Estonian or English, depending on the trainers.</p> <p>These materials are specifically designed for public officials involved in the development and implementation of pay transparency policies. The aim of the training is to raise awareness on pay transparency policies among civil servants involved in pay transparency policy development and implementation in Ministry of Economic Affairs and Communications, Labour Inspectorate and Gender Equality and Equal Treatment Commissioner. The target group is 10-15 participants. Additionally the training aims to facilitate and support discussions on pay transparency and pay equity.</p> <p>The training materials aim to raise awareness among public officials about key principles of pay transparency policies with practical examples, including:</p> <ul style="list-style-type: none"> • Gender-neutral job evaluation and its importance in creating equitable pay systems. • Salary structures and their role in ensuring pay transparency. • Gender pay gap assessment: methods and best practices for evaluating and addressing pay gaps. • Reporting requirements for pay gaps and compliance with relevant legislation. • Relevant case law and legal precedents related to pay transparency.

Deliverable D4.3 – Study Trip Report

Deliverable Number	D4.3	Lead Beneficiary	1 - MKM
Deliverable Name	Study Trip Report		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	15	Work Package No	WP4

Description
<p>The study visit is designed for public officials involved in the development and implementation of pay transparency policies from the Ministry of Economic Affairs and Communications, the Labour Inspectorate, and the Gender Equality and Equal Treatment Commissioner's Office. The target group of the study visit is 8-10 persons. The study trip report is intended mainly for the same group of organizations, as well as a broader circle of colleagues involved in policy development and implementation.</p> <p>The aim of the report is to capture and disseminate the knowledge gained during the study trip, providing concrete recommendations for adapting effective practices to the Estonian context. The report will serve as a resource for project stakeholders, supporting the continuous development of job evaluation and pay transparency policies.</p> <p>The study trip report will provide a comprehensive account of the visit, documenting the key activities, learnings, and outcomes. It will include:</p> <ul style="list-style-type: none"> • Overview of Activities: A detailed itinerary of the study trip, including descriptions of the institutions visited, presentations attended, and discussions held. • Key Learnings: Summarized insights and best practices observed during the trip, specifically related to job evaluation methodologies, pay transparency policies, and compliance mechanisms used in the host country. • Outcomes and Recommendations: key recommendations for implementing or improving similar practices in Estonia. <p>The report will be in written format in Estonian and will be at minimum 8 pages.</p>

Deliverable D5.1 – Communication and dissemination plan

Deliverable Number	D5.1	Lead Beneficiary	1 - MKM
Deliverable Name	Communication and dissemination plan		
Type	R — Document, report	Dissemination Level	SEN - Sensitive
Due Date (month)	1	Work Package No	WP5

Description
<p>At the outset of the project, a specific communication and dissemination plan is developed that states the specific activities, channels and KPI-s for the communication and dissemination activities. The plan is prepared in Estonian and in a written format (Word or PDF).</p> <p>The Communication and Dissemination plan will be a comprehensive document outlining the strategy, methods, and channels for communicating and disseminating the project's activities, results, and impacts to relevant stakeholders, target groups, and the general public. The plan aims to maximize the visibility and outreach of the project, ensuring that all key messages are effectively conveyed and that the benefits of the project are understood and recognized by the main target groups (employers).</p> <p>The plan will include the following key components:</p> <ul style="list-style-type: none"> - Objectives and Goals: define the specific objectives of the communication and dissemination activities, such as raising awareness of the Pay Transparency Directive, promoting gender-neutral job evaluation practices, and informing employers about the new guidelines and training opportunities. Set clear, measurable goals for reach and impact, including quantitative and qualitative indicators (e.g., number of articles published, social media engagement rates, participant feedback). - Target Audience Analysis: Identify and categorize the main target groups, such as employers, HR professionals, policymakers, key national institutions (MKM, TI, Volinik). Analyze their information needs, preferred communication channels, and potential barriers to engagement to ensure the plan is tailored and effective. - Key Messages and Content Strategy: Develop key messages that will be used consistently across all communication materials, emphasizing the importance of pay transparency, equal pay for equal work, and the use of gender-neutral job evaluation systems. Outline the types of content to be developed, including articles, social media posts, press releases, newsletters, and training materials. Ensure all content uses inclusive language and visual representations. - Dissemination Channels and Tools: List the specific channels that will be used for dissemination, such as the Tööelu Portaal, social media platforms (LinkedIn, Facebook), the Labour Inspectorate's magazine 'Tööelu', and traditional media. - Stakeholder Engagement and Partnerships: detail the strategies for engaging with key stakeholders and partners, including social partners like the Estonian Employers Confederation and the Estonian Human Resource Management Association PARE. Describe how these partners will be involved in disseminating information through their networks and supporting the outreach efforts. - Implementation Timeline: Provide a timeline for the development and implementation of communication and dissemination activities, aligning with key project milestones and events. <p>The plan will serve as a dynamic document, updated regularly throughout the project to reflect progress, feedback, and changing needs. It will be shared with all project partners and stakeholders to ensure a coordinated and effective approach to communication and dissemination.</p>

Deliverable D5.2 – Project web-page

Deliverable Number	D5.2	Lead Beneficiary	1 - MKM
Deliverable Name	Project web-page		
Type	DEC — Websites, patent filings, videos, etc	Dissemination Level	PU - Public
Due Date (month)	3	Work Package No	WP5

Description
<p>The project web page will be created as a sub-page on the Ministry of Economic Affairs and Communications (MKM) website, with content available in both Estonian and English.</p> <p>The web page is intended for all stakeholders, including public officials, employers, and the general public, providing transparent and accessible information about the project and its outcomes.</p> <p>Content:</p>

- **Project Overview:** A comprehensive project summary, including the main objectives, activities, and expected outcomes.
 - **Project Timeline:** A visual timeline detailing key milestones and deliverables throughout the project duration.
 - **Coordinator Contact Details:** Contact information for the project coordinator to facilitate communication and inquiries.
 - **List of Participants:** the main project partners.
 - **Funding Statement:** A clear statement acknowledging the funding source, featuring the European flag and a link to the European Union's project results page.
 - **Project Results:** A dedicated section providing access to project deliverables and key outcomes, such as research reports, training materials, and the study trip report.
- Format and Features:
- The web page will include both Estonian and English versions, ensuring accessibility for a wider audience.
 - Regular updates will be made to the web page to reflect the latest developments and results of the project.

The objective of the page is to provide a centralized, accessible platform for disseminating information about the project, promoting transparency, and engaging stakeholders with up-to-date project details and results.

LIST OF MILESTONES

Milestones <i>Grant Preparation (Milestones screen) — Enter the info.</i>					
Milestone No	Milestone Name	Work Package No	Lead Beneficiary	Means of Verification	Due Date (month)
1	Project inception meeting	WP1	1 - MKM	Meeting minutes, inception report	1
2	Project review meeting H1	WP1	1 - MKM	Meeting minutes	6
3	Project review meeting H2	WP1	1 - MKM	Meeting minutes	12
4	Project review meeting H3	WP1	1 - MKM	Meeting minutes	18
5	Final review meeting	WP1	1 - MKM	Meeting minutes	24
6	Selected methodology for Estonia	WP2	1 - MKM	Research and analysis report	9
7	Methodology and guidelines prepared and published	WP2	1 - MKM	Webpages' links with published materials	12
8	Employers' in-person trainings carried out	WP3	1 - MKM	Attendance lists	24
9	Employers' e-training available for use	WP3	1 - MKM	Link to e-training in Digiriigi Akadeemia platform	24
10	Staff of the key institutions enforcing the Pay Transparency Directive have been trained and guided	WP4	2 - LI	Attendance lists, Guiding materials	18
11	Study trip has been carried out	WP4	1 - MKM	Attendance list, Photos of the group in the selected country	15
12	Execution of the communication and dissemination action plan	WP5	1 - MKM	At least 90% of the KPI-s are reached, verified by posts, press releases, articles' reach.	24

LIST OF CRITICAL RISKS

Critical risks & risk management strategy			
Grant Preparation (Critical Risks screen) — Enter the info.			
Risk number	Description	Work Package No(s)	Proposed Mitigation Measures
1	Coordination issues or disagreements among project partners or between different stakeholders could lead to miscommunication, duplication of efforts, conflicting priorities or implementation difficulties. Impact: High Likelihood: Low	WP5, WP1, WP2, WP3, WP4	The partners have a history of cooperation, which mitigates the risk already. At the beginning of the project, the partners sign a Cooperation Agreement that regulates the goals, methods and work organization of the project, communication channels, and regulates the resolution of disagreement. Regular monitoring and meeting practices are in place to discuss the progress. All issues and disagreements are discussed and mitigated immediately when they arise. Every six months, a project review meeting is held between the project team to discuss the progress, risks and any issues and risks.
2	A member of the core project team leaves the project or falls ill Impact: low Likelihood: medium	WP5, WP1, WP2, WP3, WP4	Consortium partners teams consist of multiple individuals capable of substituting for one another. There is continuous exchange of information between the project team, with crucial data stored in a server accessible to the entire team. Due to the transparency of project activities, decisions, and information, as well as the close communication among project members, swift replacement of a project team member due to departure or illness poses no threat to the successful implementation of the project.
3	Procurement activities take longer than expected or fail (no subcontract found to perform the planned tasks) Impact: medium Likelihood: low	WP2, WP3	The coordinator has extensive experience in procurement activities and thus can foresee any potential risks and have institutional competencies to deal with the risks. The key is early planning, i.e. the procurement processes will be initiated as early as possible. The requirements and specifications for procurement will be clearly defined to avoid misunderstandings or revisions later in the process. Transparency and fairness throughout the procurement process is maintained to encourage competition and attract qualified subcontractors. The activities have been planned with a margin, to ensure the project timeline can withstand unexpected delays. Prior experiences and market research confirm there are several potential subcontractors available in the market to perform the required tasks. In case no subcontractors are found, the project partners are in principle capable (based on available skills and experiences) to carry out the activities themselves.
4	Inability to find a suitable methodology adaptable to the Estonian context. Impact: medium Likelihood: low	WP2	Drawing from prior research, multiple methodologies are expected to be available for consideration. Engaging a specialized research organization will provide access to experts with the necessary knowledge and skills to conduct comprehensive research and analysis

Critical risks & risk management strategy <i>Grant Preparation (Critical Risks screen) — Enter the info.</i>			
Risk number	Description	Work Package No(s)	Proposed Mitigation Measures
			to identify a suitable methodology. In the event that no suitable methodology is found, the project team will leverage previous research, utilize the guidelines outlined in the Directive, and apply their extensive expertise to develop a methodology tailored to the Estonian context.
5	Challenges in establishing adequately robust international cooperation contacts for the purpose of arranging a study visit Impact: low Likelihood: low	WP4	At the project outset, an extensive mapping of potential cooperation contacts will be conducted. Each project partner possesses established international networks, which can be leveraged to facilitate the cooperation in this project.
6	The costs of project implementation are considerably higher than estimated Impact: medium Likelihood: low	WP5, WP1, WP2, WP3, WP4	The project budget is planned based on experiences of executing part projects. In case of unexpected increases in prices (accommodation, travel, subsistence, services and subcontracting), in-kind contributions from the project partners can be used, given the importance of the project at the state level. Cost optimization principles and methods are used throughout the project to keep the costs of the implementation low, but reasonable for reaching the goals.
7	Limited participation from a diverse range of employers in the in-person training sessions	WP3	Prior to developing the training sessions, an assessment will be conducted by the Ministry to map the needs and readiness of the target group. This will be done by establishing cooperation with employer's and HR organisations. Regular communication and feedback channels will be established to keep them engaged and ensure that the content and format of the courses are aligned with their expectations. A dedicated communication plan will be developed to attract the potential participants in cooperation with the stakeholders.



ANNEX 1



Citizens, Equality, Rights and Values Programme (CERV)

Description of the action (DoA)

Part B

Version 1.0
01 April 2021

PROJECT	
Project name:	Supporting the implementation of Pay Transparency Directive in Estonia
Project acronym:	PALK
Coordinator contact:	Eva Liina KLIIMAN, Ministry of Economic Affairs and Communication (MKM)

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1. RELEVANCE

1.1 Background and general objectives

Background and general objectives

Describe the background and rationale of the project.

How is the project relevant to the scope of the call? How does the project address the general objectives of the call? What is the project's contribution to the priorities of the call?

Which target groups will be supported/assisted by/in the project. Why have you chosen to focus on them?

The project addresses the pressing issue of gender pay inequality, which persists despite existing legislation and initiatives aimed at promoting gender equality in the EU. Despite the principle of equal pay for equal work being enshrined in EU law since 1957, women across the EU continue to earn less than men, with the gender pay gap standing at an average of 12.7% in 2022 (*Eurostat, sdg_05_20*).

Recognizing the importance of addressing this issue, the EU has prioritized gender equality as a fundamental value and a key principle of the European Pillar of Social Rights. The EU's Gender Equality Strategy 2020-2025 underscores the need to ensure equal pay for equal work or work of equal value, with a specific focus on addressing the gender pay gap. In line with these objectives, the EU adopted the Pay Transparency Directive on April 24, 2023, with the aim of achieving pay equality between women and men.

The project directly aligns with the scope of the call by supporting, advancing, and implementing the EU policies to promote women's full enjoyment of rights and gender equality, including equal pay between women and men. Specifically, the project contributes to the second priority of the call, which focuses on supporting the implementation of the provisions of the Pay Transparency Directive. By developing national guidelines for gender-sensitive job evaluation and classification systems, raising awareness among employers and building institutional competencies, the project addresses the general objectives of the call.

Estonia has one of the largest gender pay gaps in the EU (21.3%). The research in Estonia suggests that pay transparency measures and gender-neutral job evaluation could contribute to the reduction of gender pay gap; at the same time there are no national guidelines available for private sector to conduct such evaluations required by the Directive (see section 1.2).

The project's primary objective is to facilitate the implementation of the Pay Transparency Directive, and more specifically the job evaluation requirement, via various interventions. These include the analysis of potential methodologies for job evaluation and adapting one to Estonian context, offering comprehensive training to employers, and building institutional competencies on this topic via training, guidelines and learning from selected EU MS.

The target groups of the project are:

- Employers, as they will be directly implementing the Directive requirements and the Directive calls MS to ensure that analytical tools or methodologies are made available and are easily accessible to support and guide the assessment and comparison of the value of work in accordance with the criteria set out in the Directive,
- Key national institutions responsible for the implementation and enforcement of the Directive, namely the Ministry of Economic Affairs and Communication (MKM), responsible for employment policy making; the Labour Inspectorate (TI), which exercises supervision over employment legalisation implementation in companies and providing guidance to employers; and the Gender Equality and Equal Treatment Commissioner (Volinik) who monitors compliance with the requirements of the Gender Equality Act and the Equal Treatment Act, as well as provides guidance both the public and private sector.

1.2 Needs analysis and specific objectives

**Needs analysis and specific objectives** *(n/a for Programme Contact Points)*

Provide a needs assessment. A need is a gap between what is and what should/ would be helpful or useful.

The needs assessment should be your starting point. Specify what needs will be addressed and how they have been identified. It should be specific and focus on the actual needs of the target group. It should include relevant, reliable data and, a robust analysis clearly demonstrating the need for the action (therefore, avoid references to generic statements and information about the problems and needs of the target group). The needs assessment should incorporate gender equality issues and non-discrimination considerations that identify the differences between and among women and men, girls and boys, in terms of their relative position in society and the distribution of resources, opportunities, constraints and power in a given context. The data supporting the needs assessment should be disaggregated by sex, as well as age or disability, whenever possible. You can refer to existing research, studies and previous projects that already demonstrate the need for action.

If your project is supported by a public authority, annex the Letter of support.

Estonia, despite continuous advancements in economic growth and gender equality, faces a significant gender pay gap within the European Union, standing at 21.3% in 2022 (*Eurostat, sdg_05_20*), well above the EU average (12.7%). This gap highlights the pressing need for targeted measures to enhance

Local research (e.g. Anspal et al., 2010; Espenberg et al., 2014) has attributed Estonia's pay gap mainly to labour market segregation, with a significant portion remaining unexplained. The research project "Reducing the Gender Wage Gap" (REGE), co-funded from European Regional Development Fund, offered more detailed analysis. One of the studies (Täht, 2019) of the project explained 40% of the known wage gap and found that factors like occupation, company, sector, education level, location, and age primarily influence hourly wages for both genders, but these factors better explain women's wages than men's, thus suggesting that the large wage gap is driven by highly paid men whose wage levels cannot be explained by (standard) factors included in the analysis. The study also showed that common misconceptions and unconscious biases perpetuate the wage gap, with employers often believing they cannot influence salary levels dictated by the market. The research in Estonia thus suggests that pay transparency measures and gender-neutral job evaluation could contribute to the reduction of gender pay gap.

The REGE project also included a study on gender pay gap in job application process, replicating a previous study from 2014. Räis et al (2022) compared reservation, desired, and paid wages based on data from Estonia's public job portal from 2018 to 2020. Men's desired salary was 22% higher than women's, with the largest gap seen among inexperienced candidates (nearly 40%) and in case of higher salary levels. It also became evident that including the employer's salary offer in job ads reduced the gender gap between desired and paid salaries. Candidates with prior experience in state institutions, where salary transparency is higher, also exhibited a smaller salary gap. This underscores the significance of salary transparency in diminishing wage disparities and promoting equality in negotiations.

The need for measures to enforce the principle of equal pay for equal work of work of equal value is well addressed in international and Estonian policy priorities. The OECD (2022) has recommended for Estonia to implement pay transparency policies, i.e. company-level reporting of gender composition and pay differences building on existing legislation, and supplementing this with measures promoting equal pay for work of equal value, like mandate reporting alongside a gender-neutral job classification system and establish a Pay Competence Centre at the Labour Inspectorate to validate such systems; also online training courses for employers could be provided to enhance awareness and promote gender equality. The Estonian Welfare Development Plan 2023-2030 outlines labour and social policy goals aligning with the European Pillar of Social Rights and UN sustainable development goals. A key focus of the plan is gender equality and equal treatment, with a target to reduce the gender pay gap to 8.5% by 2030 (down from 14.9% in 2021) (*based on national statistics*). Proposed actions include enhancing sectoral law enforcement, increasing the capacity of national institutions, and promoting economic equality through measures such as improving pay transparency and supporting employers in addressing pay gaps.

Thus, there is clearly a need in Estonia to develop measures to narrow the gender pay gap with measures required by the Pay Transparency Directive. However, there are no tools used in Estonia in private sector for it, and the only potential tool available is in use in public sector. In Estonian public sector, the wages of the public servants are public and the pay levels are set according to the job classification. Position evaluation is a method aimed at determining the hierarchy of positions within the institution, being one of the foundations for determining basic salaries in the conditions of decentralized salary management of the public service. The evaluation aims to decrease subjectivity while assessing the value of work and tasks and to create a fair and reasoned pays system. However, the evaluation guidelines were developed in 2006, and the latest changes were introduced 6 years ago.

Anspal, S., Kraut, L., & Rõõm, T. (2010). *Sooline palgalõhe Eestis: empiiriline analüüs. Uuringuraport*. Tallinn: Eesti Rakendusuurigute Keskus CentAR, Poliitikauuringute Keskus PRAXIS,



Sotsiaalministeerium.

Espenberg, K., Aksen, M., Lees, K., & Puolokainen, T. (2014). *Palgaerinevuste statistika parem kättesaadavus. Soolise palgaerinevuse analüüs*. Tartu: Tartu Ülikooli sotsiaalteaduslike rakendusuuringute keskus RAKE.

OECD (2022), *The Economic Case for More Gender Equality in Estonia, Gender Equality at Work*, OECD Publishing, Paris, <https://doi.org/10.1787/299d93b1-en>.

Räis, M.-L., Täht, K., Unt, M. Do desired wages explain the gender wage gap in Estonia? An examination of desired wages in job applications. 2022. TLÜ RASI

Täht, K. (Toim.) (2019). *Soolise palgalõhe kirjeldamine ja seletamine – tehniline ülevaade*. RASI toimetised nr 10. Tallinn: Tallinna Ülikool.

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1.3 Complementarity with other actions and innovation — European added value

Complementarity with other actions and innovation (n/a for Programme Contact Points)

Explain how the project builds on the results of past activities carried out in the field and describe its innovative aspects. Explain how the activities are complementary to other activities carried out by other organisations.

Illustrate the European dimension of the activities: trans-national dimension of the project; impact/interest for a number of EU countries; possibility to use the results in other countries, potential to develop mutual trust/cross-border cooperation among EU countries, etc.

Which countries will benefit from the project (directly and indirectly and why have you chosen them)? Where will the activities take place?

Clarify to what extent the project builds on synergies with other EU projects. If applicable, explain to what extent your project builds on previous project results in this field (state of play, relation to existing/recent developments, approaches, achievements, other EU programmes).

Note: The project should also complement or add benefits to the EU Member States' interventions in the area of gender equality and non-discrimination mainstreaming.

The project addresses the Pay Transparency Directive's requirements, which mandate employers to implement pay setting systems based on gender-neutral job evaluation and classification practices ensuring equal pay for work of equal value. In Estonia, there is currently a lack of methodologies and tools for the private sector to comply with this requirement, necessitating among other activities the consultation of EU best practices.

Building on initiatives across Europe the project foresees evaluation of various methodologies and selection one suitable for adaptation to the Estonian context. There are only a few EU countries that have so far embedded pay reporting requirements within more comprehensive equal pay auditing processes and explicitly require the use of gender-neutral job classification systems (OECD, 2023).

For instance, **Belgium** has one of EU's lowest gender pay gaps – 5% in 2022 (*Eurostat, sdg_05_20*). Since 2006, initiatives like the Equal Value Project, collective agreements, and laws that date back to decades, aim to promote gender-neutral job evaluation schemes and combat employment discrimination, which are compulsory for medium-sized and large companies as of 2012. Job evaluation schemes incorporating attributes of female-dominated roles, like emotional demands in care work, are recognized as essential for achieving equal pay and narrowing the gender pay gap. However, enforcement gaps exist, particularly concerning Social Balance Sheets completion and the National Bank's inability to sanction employers. (University of Greenwich, 2021; Pillinger, 2021)

As of 2021, according to [Royal Decree 902/2020 of October 13, 2020](#), **Spanish** companies must evaluate jobs to follow the principle of equal pay for work of equal value, and the evaluation requires the application of the criteria of adequacy, completeness and objectivity. For this, the Spanish job evaluation [tool](#) and [guidelines](#), co-financed by the European Social Fund, ensure objective job classification and can be voluntarily used by the companies.

In 2018, **Portugal** adopted Law no 60/2018 to promote equal pay between genders, requiring employers to establish transparent pay policies grounded on the evaluation of the components of the functions, based on objective criteria, common to men and women. Initiatives by social partners have led to projects promoting equality, such as the "Revaluing Work to Promote Equality" initiative funded by the EQUAL Initiative. This project developed methodologies for assessing the value of work free from gender bias, and has been implemented in various sectors since. (Perista and Casaca, 2021),

There is no universal method or model available for gender-neutral job assessment, evidenced also by various methods used in the EU MS. Our project seeks to build upon the lessons learned and best practices identified from past initiatives by:

- Conducting a comprehensive analysis of different job evaluation methodologies used EU MS to



develop a methodology adapted to fit the Estonian context;

- Developing tailored training materials and resources to support employers in implementing the Pay Transparency Directive; and
- Collaborating with relevant stakeholders from EU countries, to leverage existing expertise to build capacity in Estonia, share experiences and promote mutual learning. Within the project direct framework this can be done via study visit and awareness raising training to civil servants, but as the project team is involved in various international networks, the synergies can be even further increased by enhancing its impact by integrating proven approaches.

Through these efforts, our project contributes to the effective implementation of the Pay Transparency Directive by addressing gaps and challenges identified from past activities and building upon existing knowledge in Estonia and across the EU.

OECD (2023), *Reporting Gender Pay Gaps in OECD Countries: Guidance for Pay Transparency Implementation, Monitoring and Reform, Gender Equality at Work*, OECD Publishing, Paris, <https://doi.org/10.1787/ea13aa68-en>.

Perista, H., Casaca, S. F. (2021). *Beyond a progressive normative framework: challenges to increase pay transparency and tackle the gender pay gap*. Peer Country Paper – Portugal. Mutual Learning Programme, DG Employment, Social Affairs and Inclusion,

Pillinger, J. (2021). *Pay transparency and role of gender-neutral job evaluation and job classification in the public services*. EPSU, ETUI.

University of Greenwich (2021). *International Mechanisms to Revalue Women's Work: Research exploring and evaluating international mechanisms that aim to revalue or result in the revaluation of women's work*. Social Research Series, ISBN: 9781802015485

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2. QUALITY

2.1 Concept and methodology

Concept and methodology

Outline the approach and methodology behind the project. Explain why they are the most suitable for achieving the project's objectives. Include ethical and safety considerations to ensure that target groups are not subjected to harm in any way.

Note: Methodology is not a list of activities but are instruments, approaches that will be used, applied and created.

The project will be carried out in cooperation of the key stakeholders responsible for the enforcement of the Pay Transparency Directive, including providing guidance to employers and exercising supervision. The project brings together evidence-base knowledge and practical experience and aims at building on both to create change and improve gender equality. The key components of the project are the following:

- 1) Selection and adaptation of gender-neutral job evaluation and classification methodology:** A **comparative analysis** of 3-4 job evaluation and classification methodologies used in other countries (e.g BE, ES, PT) will be conducted and considered as basis for national system. In addition, **analysis of the methodology used in Estonian public sector** to classify jobs will be conducted from the point of view of the directive's requirements (i.e whether the methodology uses the required criteria: skills, effort, responsibility and working conditions). The next step is to **adapt the selected methodology to fit Estonian context**, considering the legal framework, labour market structure, characteristics of organisational structures, gender segregation in occupations, cultural norms, etc. Given the nature and complexity of these activities, it is imperative to enlist the expertise of a specialized research organization through a formal procurement process. This will ensure access to the best expertise and mitigates the risk of bias or conflict of interest.
- 2) Preparing guidelines and publishing the methodology and materials:** Necessary materials and guidelines will be developed to facilitate the implementation of the methodology and accessibility for employers. The materials include, for example, the explanation of gender pay gap, the need for gender-neutral job assessment and classification, explanation of the methodology and practical examples, considering the diversity of organisation (e.g. large companies with complex structures; NGOs with flat structures, etc). By choosing appropriate contents, wording, illustrations, etc, the materials will adhere to the core EU values and will reinforce equal treatment and non-discrimination. The materials will be published on the website of the Labour Inspectorate and in the 'Work Life Portal' (www.tooelu.ee) which is a webpage created by the Inspectorate to gather



information on employment relations and working conditions.

- 3) **Training for employers:** To increase the employers' understanding of the need for job evaluation and classification and the methodology and competency to use the methodology, the project foresees designing and providing comprehensive training. 20 groups of employers consisting of up to 25 persons per group will be trained via **in-person trainings** (up to 8 academic hours). Diversity of participants (in terms of company characteristics as well as the characteristics of the company representatives) will be encouraged and necessary arrangements will be done, including providing the training in various places all over Estonia, ensuring physical accessibility and necessary aids, if needed. To ensure the training opportunity is available longer and accessible to the entire target group allowing self-paced studying, an **e-training** (up to 8 academic hours) will also be developed. This will be available free of charge on national e-training platform (www.digiriigiakadeemia.ee), in Estonian (with English subtitles), adhering to accessibility standards. To ensure compliance with ethical standards, it will be made sure the contents of the trainings are accurate, unbiased, and gender and diversity sensitive. Given the complexity and volume of developing and carrying out the trainings, the activities will be procured externally. By engaging external providers, we can leverage their experience, knowledge, and resources in delivering effective training, ensuring high-quality content, solutions and engagement.
- 4) **Institutional capacity building:** The project will focus on enhancing the capacity of the key national institutions, who play pivotal roles in overseeing the implementation of the Pay Transparency Directive within workplaces and serve as primary points of contact for employers seeking guidance and clarification, including on the gender-neutral job evaluation, classification, and pay-setting practices. **An awareness raising training** for MKM, TI and Volinik (up to 15 participants) will be designed and carried out, to better understand the concept and principles of equal pay for equal work or work of equal value. An external moderator with expertise in the field (local or foreign) will ensure a moderated discussion on these topics. For TI, a **specific procedural training** will be carried out (for up to 20 staff members) and **guiding reference materials** will be developed. These will increase the knowledge and ability of the TI staff in relation to exercising supervision over the requirement of the Pay Transparency Directive on the usage of gender-neutral job evaluation and classification systems in companies. The materials will be developed by TI. Finally, a study trip to a MS with established job evaluation and classification practise will be carried out to gain knowledge on the principles, implementation, enforcement, monitoring and supervision practice, and to form connections for mutual learning. The institutional competence building will ensure that the institutions will have the necessary skills and resources to support employers without causing harm or unfair treatment.

An integral part of the project are communication and dissemination activities to ensure the created knowledge and materials reach the target group. These activities are described in section 3.2.

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2.2 Consortium set-up

Consortium cooperation and division of roles (if applicable) *(n/a for Town Twinning and Programme Contact Points)*

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

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

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

The project consortium includes three partners – MKM as the lead partner and project coordinator, TI and Volinik as partners.

MKM is responsible for implementing and transposing the Pay Transparency Directive in Estonia, as well as overseeing employment and equality policies in the country. The 'Area of Work' within the MKM, serves as a centre of professional expertise and competence in matters related to employment, working conditions and work environment and equal opportunities and gender equality.

TI supervises the implementation of employment legislation in companies and offers guidance to employers and employees on employment relations and working conditions matters.

Volinik monitors compliance with the requirements of the Gender Equality Act and the Equal Treatment Act and provides guidance to both public and private sector employers and employees. In addition, they

facilitate communication from other stakeholders and maintain a wide network of connections within the EU with other equality bodies.

As public bodies working towards common objectives, they have a history of collaboration and leveraging each other's strengths to develop, communicate, and implement changes in Estonia. In this project, MKM will lead the Work Packages and will carry out the procurement activities. TI will contribute its expertise and resources to various tasks, and will additionally lead activities aimed at enhancing its own capacity. Volinik will provide input at various stages of the project, drawing on their experience and knowledge in gender equality and non-discrimination, as well as their extensive network within the EU.

2.3 Project teams, staff and experts

Project teams and staff

Describe the project teams and how they will work together to implement the project.

List the staff included in the project budget (budget category A) by function/profile (e.g. project manager, senior expert/advisor/researcher, junior expert/advisor/researcher, trainers/teachers, technical personnel, administrative personnel etc. and describe briefly their tasks. Provide CVs of all key actors (if required).

Note: Please ensure a gender-balanced representation in the composition of project teams and staff performing the action.

Name and function	Organisation	Role/tasks/professional profile and expertise
<i>To be recruited,</i> Project manager	MKM	Overall coordination and management of the project, including consortium relations management, financial and ethics management, and procurement management. The position is yet to be filled, the role description (in Estonian) states that at least 3 years of project management experience is required, preferably the person should have previous experience in the field of gender equality and/or compensation policies as well as experience in procurement processes.
Lee Maripuu, expert	MKM	Lee Maripuu is the head of gender equality policy in Ministry of Economic Affairs and Communication and is contributing to the project as expert in all stages of the project.
Eva Liina Kliiman, expert	MKM	Eva Liina Kliiman is advisor on gender equality in Ministry of Economic Affairs and Communication and is contributing to the project as expert in all stages of the project.
Kristel Plangi, partner coordinator (TI)	TI	Kristel Plangi works as the head of the Prevention Department in Labour Inspectorate and will act as the partner coordinator for TI in the project. The role entails coordinating activities in TI and acting as the contact point between TI, project manager and consortium.
Art Peeter Roosve, partner coordinator	Volinik	Art Peeter Roosve has years of experience working as an advisor at Volinik, where he has contributed to advising on potential discrimination cases, participated in various projects, and maintained international connections. He will act as the partner coordinator for Volinik in the project, i.e. coordinating activities in Volinik and acting as the contact point between Volinik, project manager and consortium.

Outside resources (subcontracting, seconded staff, etc)

If you do not have all skills/resources in-house, describe how you intend to get them (contributions of members, partner organisations, subcontracting, etc).

If there is subcontracting, please also complete the table in section 4. Moreover, ensure that subcontractors are



aware of gender mainstreaming and non-discrimination mainstreaming.

To ensure efficient and high-quality implementation of the project, a full-time project manager will be hired by MKM via a public, transparent hiring process. This ensures focused attention on project success and leverages specialized project management skills. The role description for this position is included in the application (in Estonian).

Given the nature of the applicants (public bodies) and Estonian anti-corruption regulations, certain project activities, such as the analysis, evaluation, and adaptation of pay evaluation methodologies, as well as the design, development, and implementation of training sessions for employers, must undergo public procurement procedure. Also, by engaging external providers, we can leverage their experience, knowledge, and resources in delivering high-quality and efficient outputs. Due to the time constraints in relation to the deadline for proposals, it was not possible for MKM to carry out a transparent procurement process prior to the deadline, therefore it will be carried out once the funding decision has been made.

2.4 Consortium management and decision-making

Consortium management and decision-making (if applicable) *(n/a for Town Twinning and Programme Contact Points)*

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

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

The project consortium includes three partners – MKM as the lead partner and project coordinator, TI and Volinik as partners. MKM will lead the Work Packages (WP) and is responsible for procurement. TI contributes to various tasks and in addition will lead tasks related to their capacity building. Volinik will contribute to the project in various stages with relevant experience and knowledge.

The consortium partners have a history of collaboration, but as the planned project is more comprehensive, both, in terms of duration and activities, a **Cooperation Agreement**, establishing the consortium management, decision-making, working and reporting procedures not addressed in the EC Grant Agreement, will be concluded.

The main **decision-making body** is the **Project Management Team (PMT)**, composed of representatives from each of the three organisations. The project coordinator facilitates a collaborative decision-making process within the PMT. Decisions are reached through consensus among team members. In urgent cases or for day-to-day management issues, the project manager takes responsibility and informs the PMT accordingly. The consortium partners are committed to **resolve any potential conflicts** in a consensual manner. If a conflict arises among partners, it will be discussed among the PMT at the nearest project meeting or ad-hoc meeting; if the matter cannot be satisfactorily resolved in this way, the project coordinator shall have the final say.

The day-to-day **communication** is done via e-mail and virtual meetings. All consortium parties are highly responsive, thereby enabling a fast consultation and decision-making process. In addition, monthly project meetings to review the progress, plan and adjust timelines take place, and PMT is also expected to meet once every half year during the project (including inception meeting and final review meeting) for in-depth discussions. These meetings allow for regular exchange of experiences and views, proper monitoring and reporting of project delivery and impact, sound discussion on the detailed workplan and collaborative strategic direction of the project. The project manager drafts the agenda and the minutes of the PMT meetings and distributes these materials among the PMT members, who can make suggestions and propose changes. The minutes of the meetings will be approved via e-mail. The project manager is responsible for archiving the minutes of the project meetings. **Reporting to the EC** according to the requirements of the Grant Agreement is the responsibility of the project manager. All partners have the duty to provide the project manager with the necessary information for the completion of these reports.

Monitoring and quality control procedures are of utmost importance and will be extensively described in the next section (2.5).

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2.5 Project management, quality assurance and monitoring and evaluation strategy

Project management, quality assurance and monitoring and evaluation strategy

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

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

Describe the evaluation methods and indicators (quantitative and qualitative) to monitor and verify the outreach and coverage of the activities and results (including unit of measurement, baseline and target values). The indicators proposed to measure progress should be relevant, realistic and measurable.

Note: The monitoring and evaluation strategy should also incorporate gender and non-discrimination considerations in order to measure changes and assess impact on gender equality issues. The indicators should be gender responsive so that they can measure gender equality changes over time. For instance, a gender responsive indicator can measure the increase in women's rate of employment or changes in social attitudes towards gender roles in work-life balance. The evaluation should be participatory and inclusive to all stakeholders, ensuring that women's and men's voices are prevalent throughout the entire evaluation process.

Throughout the project, a quality assurance system is used to ensure that the execution of tasks and activities meet the CERV programme requirements, are performed without defects and/or errors in a timely and cost-effective manner, possible risks impacting the course or outcome of the project are identified and mitigated early and effectively, and in compliance with EU values, ethics and data protection. The system entails the preparation and compliance with relevant documents, guidelines and standards, communication, and risk management, monitoring and evaluation measures.

Documents: The final **project plan and timetable** will be prepared at the beginning of the project, which will be agreed by the whole consortium to ensure common understanding of the goals, activities, timeframe and roles. **Cooperation Agreement** will be set as an inner agreement on work organization, feedback mechanisms, and information channels among the consortium partners, as well as common principles of contract management and principles to ensure highest quality, ethical and data standards and requirements accepted in EU and set out by CERV.

Communication: The project **review meeting** is organized once every six months by the project Coordinator between the consortium partners and any relevant stakeholders to evaluate the progress of the project, identify potential risks, and adjust the project execution plan. **Regular internal check-ups and reports** (monthly 'health checks') about the development of WPs and tasks will be carried out. At the beginning of each task, a detailed plan will be prepared and agreed upon with clear responsibilities allocated to all participants. Progress of ongoing tasks will be monitored. Evolving deliverables will be followed based on project's internal review process to identify possible problems well in advance of deadlines. The project timetable will be updated at least monthly with the advancement and completion of individual subtasks. The Project coordinator will ensure **continuous communication with CERV**.

Risk management, monitoring and evaluation: Part of the project management and quality assurance is risk management, monitoring and evaluation. These activities will be embedded within the project management throughout the project. The activities will entail the identification, assessment and monitoring of the risks, threats and opportunities, and the implementation of selected mitigating measures. The project manager will be responsible for monitoring the process, but it will be implemented in co-operation with all team members during project meetings or ad hoc if needed. **The monitoring and evaluation scheme** will cover in- and output-related aspects and will include concrete quantitative and qualitative indicators and a system to collect, interpret and reflect data along defined targets. The specific **indicators** are set in the beginning of the project during the development of Inception Report and Cooperation Agreement and will cover at least the following:

- Number of participants of the employers' in-person training activities (disaggregated by participants')
- Number of TI personnel participating in the TI competence building training activities
- Information on communication activities' coverage (such as number of articles, reach of media, etc)

Continuous monitoring is essential for evaluating the project's advancement vis-à-vis its objectives and milestones, as well as identifying any deviations from the initial plans and targets. Regular communication, meetings, and adjustments to the timeline will contribute to the monitoring process. The project manager will maintain comprehensive records of project progress, which will inform the project evaluation. **Evaluation** plays a pivotal role in appraising the project outcomes, discerning successful strategies and areas requiring improvement, assessing the efficacy and impact of activities and measures, and ensuring adherence to standards, guidelines, processes, and values. Evaluations will be conducted biannually in the context of the project review meetings, led by the project manager.

To ensure that gender equality and non-discrimination are considered throughout the project



implementation, evaluation and monitoring, the following principles are followed:

- Setting gender-sensitive indicators: developing evaluation criteria and monitoring indicators that capture the differential experiences and needs of diverse genders and marginalized groups.
- Data disaggregation: collecting and analysing data disaggregated by gender, region, main language and other relevant factors to identify disparities and ensure that the project benefits all groups equally
- Addressing barriers: identifying and addressing barriers that prevent certain groups from accessing project benefits or participating fully in project activities, such as discriminatory practices or unequal distribution of resources.
- Participatory approaches: engaging diverse stakeholders and groups in the evaluation process to ensure their perspectives and experiences are considered and valued.
- Using gender and diversity sensitive language, visuals, examples etc in the training and knowledge raising activities and throughout the project communication.

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2.6 Cost effectiveness and financial management

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

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

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

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

When planning the project budget, the priority has been optimization. This ensures that sufficient funds are allocated to implement the project effectively, while resource efficiency is emphasized by avoiding unnecessary expenses. Essential resources, such as venues, transportation, catering, and travel, are sourced through a competitive bidding process or offered by project partners as in-kind contributions. Additionally, as public sector organizations, the partners have extensive experience in adhering to legislative and internal rules to ensure cost-effectiveness.

The following measures will be implemented:

- **Resource optimization:** Careful planning and allocation of resources will be undertaken to maximize efficiency. Public sector organizations are required to adhere to resource optimization principles.
- **Streamlined processes:** Implementation of efficient workflows to reduce overhead costs and increase productivity. A dedicated project manager is recruited to lead the streamlined implementation of the project.
- **Regular monitoring and evaluation:** Project progress will be monitored regularly to identify potential cost overruns or inefficiencies early on and take corrective actions promptly as described above.

For financial management, the following arrangements have been adopted:

- **Transparent budgeting:** A detailed budgeting process outlines the allocation of financial resources to different project activities and work packages.
- **Robust financial management procedures:** Implementation of strict controls to ensure compliance with budgetary allocations and regulatory requirements.
- **Regular financial reporting:** Ongoing monitoring of expenditure against budget to ensure accountability and transparency.
- **Flexibility:** Provision for adapting to unforeseen circumstances or changes in project requirements while maintaining cost-effectiveness.

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3. IMPACT

3.1 Impact and ambition

Impact and ambition

Define the short, medium and long-term effects of the project.

Who are the target groups? How will the target groups benefit concretely from the project and what would change for them? In what way will the gap identified be reduced? How will the activities contribute to improve the situation (difference between starting point/state of play and the situation after the end of the project?) How will the activities contribute to the promotion and advancement of gender equality and non-discrimination mainstreaming?

Does the project aim to trigger change/innovation? If so, describe them and the degree of ambition (progress beyond the status quo).

Note: Results/outcomes are immediate changes that materialise for the target groups after the end of the project (e.g. improved knowledge, increased awareness). Results/outcomes are different to deliverables. Deliverables are activities undertaken and outputs produced with the resources allocated to the project, e.g. training courses, conferences, manuals, video etc.

When defining expected results/outcomes and deliverables please consider if and how they will reduce, maintain, or increase inequalities between women and men, boys and girls, in all their diversity. What gender, age and disability differentiated results can be expected? How expected results will affect women and men, boys and girls from a range of diverse social groups, differently?

The primary target groups include **employers**, who will receive guidance to enhance organizational practices and reduce discrimination risks, and **national institutions**, which will gain expertise to enforce compliance and guide employers effectively. The project **indirectly benefits employees** by providing transparent wage information, empowering them to advocate for fair compensation and address gender-based disparities. The project aims to **trigger change and innovation** by introducing novel approaches to job evaluation and pay transparency in Estonia, fostering stakeholder collaboration to address systemic gender equality barriers, and promoting cultural shifts towards transparent wage-setting practices.

Short-term effects: 1) Increased awareness among employers about the requirements of the Wage Transparency Directive; 2) Enhanced capacity of relevant institutions to provide guidance and support to employers; 3) Adoption and adaptation of a suitable job evaluation methodology tailored to the Estonian context.

Medium-term effects: 1) Improved transparency in wage systems and reduced gender wage gap within organizations; 2) Strengthened enforcement of the Wage Transparency Directive through effective monitoring and reporting mechanisms; 3) Greater engagement of employers in gender equality initiatives and commitment to addressing gender pay disparities.

Long-term effects: 1) Sustained reduction of the pay gap in Estonia by establishing industry-standard practices, which addresses gender and other forms of discrimination, fostering a more equitable society; 2) Establishment of a culture of pay transparency in the workplace, contributing to a more inclusive and equitable society; 3) Enhanced institutional capacity to address gender and other inequalities in the labour market, leading to broader societal benefits.

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3.2 Communication, dissemination and visibility

Communication, dissemination and visibility of funding

Describe the communication and dissemination activities which are planned in order to promote the activities/results and maximise the impact (to whom, which format, how many, etc.). Clarify how you will reach the target groups, relevant stakeholders, policymakers and the general public and explain the choice of the dissemination channels.

Describe how the visibility of EU funding will be ensured.

Communication and dissemination activities should also contribute to the promotion of gender equality and non-discrimination. Communication materials should use gender inclusive language and positive visual representations. E.g.: when developing videos or leaflets ensure that women and men, in all their diversity, are equally represented in a non-stereotypical fashion and portrayed in active empowered roles. In addition, consider using communication channels that they are accessible to general audience, in particular to persons with disabilities, or people from marginalised groups.

Communication and dissemination of results are integral parts of the project since its main activities are oriented towards awareness raising, increasing knowledge, and deeper understanding of the equal pay for equal work or work of equal value principle. At the inception of the project, a communication and



dissemination plan will be developed to guide the communication and dissemination activities and ensure reaching relevant target groups, promoting the project activities, and ensuring the visibility of EU funding throughout the project.

The main target group for the communication and dissemination activities are employers, as they will be directly implementing the Directive requirements, i.e. ensuring equal pay for their employees, by among other things making use of job evaluation and classification systems to ensure pay transparency and non-discrimination. The communication activities consolidate necessary steps to reach various target audiences, and rely on existing collaborative contacts and support from organizations working with different target groups. To reach employers attention and increase their awareness, the strategy will mostly concentrate on targeted communication via most appropriate channels. This includes, for example:

- Utilising the social partners: information will be shared to employers' and HR associations, who will then disseminate it further to their members. The list includes for example Estonian Employers Confederation, Estonian Chamber of Commerce and Industry, Estonian Association of SME's, Estonian Human Resource Management Association PARE. LinkedIn will be used for social media communication, utilising potentially the help of the Estonian HR Society - an Estonian LinkedIn society consisting of around 1,400 persons working in HR.
- LinkedIn will be used for social media communication, utilising potentially the help of the Estonian HR Society - an Estonian LinkedIn society consisting of around 1,400 persons working in HR
- At least one article will be written to Labour Inspectorate's magazine 'Tööelu' ('Work Life') (available online and on paper). There are 500 subscribers for digital version and 500 for paper version, while it is also available online for everyone.
- All the project partners will disseminate the relevant information via their webpages and social media accounts. The main source of information will ultimately be the Tööelu Portaal (www.tooelu.ee), which had around 1,3 million visits in 2023.
- At least 3 press-releases will be issued to gain additional attention via traditional media to inform the public about the project, the methodology, the in-person training activities and the e-training.

The specific communication activities related to in-person training activities, i.e. attracting employers attention and recruiting participants, will be designed and implemented by the subcontractor in cooperation with the project partners.

In addition, the key national institutions responsible for the implementation and enforcement of the Directive (MKM, TI and Volinik) are a target group of communication and dissemination activities, to ensure the training and guiding materials will reach the necessary persons who will ultimately be responsible for monitoring the compliance with the Directive and providing guidance and advice to the employers. The project partners will ensure the necessary information dissemination in their respective organisations.

Gender equality, diversity, and equal treatment will be prioritised in all communication activities, including using inclusive language and visuals, refraining from creating and enforcing stereotypes based on gender, ethnicity, age, or disability. We ensure accessibility for information by following standards like WCAG 2.2 and EU standard EN 301 549 (such as adding subtitles to videos). EU funding is clearly highlighted in all activities to ensure compliance with regulations.

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3.3 Sustainability and continuation

Sustainability, long-term impact and continuation

Describe the follow-up of the project after the EU funding ends. How will the project impact be ensured and sustained?

What will need to be done? Which parts of the project should be continued or maintained? How will this be achieved? Which resources will be necessary to continue the project? How will the results be used?

Are there any possible synergies/complementarities with other (EU funded) activities that can build on the project results?

The project's sustainability and long-term impact will be ensured through a multifaceted approach. Continuous support and guidance will be extended to employers to uphold the established practices beyond the project's duration. This includes ongoing training and capacity-building initiatives to maintain compliance with the Wage Transparency Directive. The job evaluation methodology and guidelines and e-training materials will be regularly reviewed and updated as necessary, with resources allocated from



the national budget to sustain these efforts.

The e-training platform, planned for completion by project's end, will remain accessible and actively promoted thereafter. Additionally, employee awareness initiatives will be funded through the national budget to ensure sustained engagement and empowerment.

As part of its sustainability strategy, the project will facilitate a study visit to an EU country where similar practices have proven successful. This exchange will facilitate knowledge sharing, reinforcement and establishment of valuable contacts, and insights into best practices for sustaining project outcomes. Leveraging these connections and fostering collaboration with other EU initiatives will further augment the project's impact, ensuring its continued effectiveness beyond the funding period. Through strategic partnerships and network expansion, the project will contribute to fostering a lasting culture of pay transparency and gender equality in Estonia and beyond.

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Subcontracting (n/a for prefixed Lump Sum Grants)**Subcontracting**

Give details on subcontracted project tasks (if any) and explain the reasons why (as opposed to direct implementation by the Beneficiaries/Affiliated Entities).

Subcontracting — Subcontracting means the implementation of 'action tasks', i.e. specific tasks which are part of the EU grant and are described in Annex 1 of the Grant Agreement.

Note: Subcontracting concerns the outsourcing of a part of the project to a party outside the consortium. It is not simply about purchasing goods or services. We normally expect that the participants have sufficient operational capacity to implement the project activities themselves. Subcontracting should therefore be exceptional.

Include only subcontracts that comply with the rules (i.e. best value for money and no conflict of interest; no subcontracting of coordinator tasks). Make sure that subcontractors are aware of the principles of gender mainstreaming and non-discrimination mainstreaming.

Work Package No	Subcontract No (continuous numbering linked to WP)	Subcontract Name (subcontracted action tasks)	Description (including task number and BEN/AE to which it is linked)	Estimated Costs (EUR)	Justification (why is subcontracting necessary?)	Best-Value-for-Money (how do you intend to ensure it?)
2	S1.1	Subcontractor for research, analysis, methodology adaptation and developing necessary reports and materials	Research, analysis, adaptation of gender-neutral job evaluation and classification methodology and accompanying guiding materials	60 000 EUR It is estimated that the cost of analyses will be 55 000 euros and developing of the guidance material will be 5 000 euros.	To ensure access to experts with specialized knowledge in gender pay gap analysis, job evaluation methodologies, and comparative research; to mitigate any risks of bias or conflict of interest; to use the resources efficiently. Due to legal regulations for avoiding corruption it is not possible for a public sector organization (MKM) to include a private sector actor with relevant skills as a partner in the project preparation phase. Thus, the services have to be procured during the project implementation via a public	Via a transparent, public procurement process following national legislation and procurement practices. The value for money is ensured by selecting the most economically advantageous bid in the procurement process. This means that different criteria are set during the procurement regarding the content of the work, its quality, the competence of the team, and other aspects necessary to ensure the quality of the work, as well as criteria for the price. When evaluating bids, a weighting system

					procurement procedure.	is used: 30% for the price of the bid and 70% for the substantive quality of the bid. The first step is to develop detailed tender documentation that outlines the scope and principles of work, evaluation criteria, and expected deliverables. This will ensure that all potential bidders have a clear understanding of the project requirements and the evaluation process. The second step is to evaluate the received proposals based on predefined criteria. And thirdly the cooperation in establishing a monitoring mechanism (which is already described in the tender documents) to oversee the implementation of subcontracted activities. This will ensure that the services provided are of high quality and in line with the project's objectives.
3	S1.2	Subcontractor for creating in-person and e-trainings for employers	Design, development and conduction of in-person and e-training for employers, including communication activities for	150 000 EUR It is estimated that the cost of in-person training will be approx. 115 000 euros and e-	Due to the technical complexity of developing and conducting the training activities. By engaging external providers, we can leverage their experience,	Via a transparent, public procurement process following national legislation and procurement practices.

			in-person training	training 35 000 euros.	knowledge, and resources in delivering effective training, ensuring high-quality content, solutions and engagement of participants. Due to legal regulations for avoiding corruption it is not possible for a public sector organization (MKM) to include a private sector actor with relevant skills as a partner in the project preparation phase. Thus, the services have to be procured during the project implementation via a public procurement procedure.	Same process is followed as described under WP2.
Other issues: <i>If subcontracting for the project goes beyond 30% of the total eligible costs, give specific reasons.</i>			Due to legal regulations for avoiding corruption it is not possible for a public sector organization (MKM) to include a private sector actor with relevant skills for the required tasks as a partner in the project preparation phase. Thus, the services have to be procured during the project implementation via a public procurement procedure			

Timetable

Timetable (projects up to 2 years)																								
Fill in cells in beige to show the duration of activities. Repeat lines/columns as necessary.																								
Note: Use the project month numbers instead of calendar months. Month 1 marks always the start of the project. In the timeline you should indicate the timing of each activity per WP.																								
ACTIVITY	MONTHS																							
	M 1	M 2	M 3	M 4	M 5	M 6	M 7	M 8	M 9	M 10	M 11	M 12	M 13	M 14	M 15	M 16	M 17	M 18	M 19	M 20	M 21	M 22	M 23	M 24
Task 1.1 - Project																								

inception																								
Task 1.2 - Managing consortium operations																								
Task 1.3 - Financial and administrative management																								
Task 1.4 - Quality, data and ethics management																								
Task 2.1 - Procurement for developing the methodology and support materials																								
Task 2.2 - Developing the methodology and support materials																								
Task 2.3 - Selecting the methodology for Estonia																								
Task 2.4 - Securing the licenses and permissions for the adoption of the methodology																								
Task 2.5 - Making the materials available for the employers																								
Task 3.1 - Procurement of the training activities																								
Task 3.2 - In-person and																								

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5. OTHER

5.1 Ethics and EU values

Ethics and EU values

Describe ethics issues that may arise during the project implementation and the measures you intend to take to solve/avoid them.

Describe how you will ensure gender and non-discrimination mainstreaming in the project cycle. This means integrating gender equality and non-discrimination considerations in the design, implementation, monitoring and evaluation of project activities. Projects activities should be pro-active and contribute to the equal empowerment of women and men, girls and boys, in all their diversity, and ensure that they achieve their full potential, enjoy the same rights and opportunities. Gender and non-discrimination mainstreaming are a key mechanism for achieving gender equality and combating multiple and intersecting discrimination. In the delivery of project activities gender mainstreaming shall be ensured by systematically monitoring access, participation, and benefits among different genders, and by incorporating remedial action that redresses any gender inequalities and discriminatory effects in implementation of planned activities. The activities shall also seek to reduce levels of discrimination suffered by particular groups (as well as those at risk of multiple discrimination) and to improve equality outcomes for individuals.

If your project has a direct or indirect impact on children and their rights, indicate it clearly here. Make sure that your project is based on a child rights approach, i.e. that all the rights of the EU Charter of Fundamental Rights and the United Nations Convention on the Rights of the Child (UNCRC) and the Optional protocols, are promoted, respected, protected and fulfilled. The project should address children as rights holders and should ensure their participation in the design and implementation of the project. If you will have direct contacts with children you will have to provide a child protection policies in line with the [Keeping Children Safe Child Safeguarding Standards](#).

Explain how you intend to address privacy/data protection issues related to data collection, analysis and dissemination.

Outline measures to be taken and the policies in place to guarantee full compliance with the EU values mentioned in Article 2 of the Treaty on the European Union and Article 21 of the EU Charter of Fundamental Rights.

The project aims to promote equal treatment and gender equality by contributing to the narrowing of the gender pay gap, aligning with the EU values (human dignity, freedom, democracy, equality, the rule of law, and human rights, as well as ensuring non-discrimination) articulated in Article 2 of the Treaty on the European Union and Article 21 of the EU Charter of Fundamental Rights. The following measures will ensure strict adherence to these values throughout the project and in relation to the project outcomes.

Ethic issues:

Bias and fairness: The process of selecting the job evaluation methodology may inadvertently introduce bias if not conducted rigorously. To mitigate this, the expertise of an outside subcontractor (procured via transparent process) carrying out the research on potential methodologies will be used. Comprehensive selection criteria will be established by team with diverse backgrounds and extensive knowledge on gender equality and non-discrimination. The adaptation of the methodology will consider the diversity of Estonian labour market and organisation, the cultural norms and applicable legislation.

Equity in access to competence building activities: There might be challenges in ensuring equal access to training opportunities and receiving information and guidelines, potentially favouring larger companies, those members of associations or those with more resources. To tackle this, in-person training will be carried out in various places all over Estonia and a specific communication plan will be developed to ensure information reaches the entire potential target group. The training will be arranged in a way to ensure accessibility. In addition, an e-training will be developed to ensure wide reach. Information related to the outputs of the project will be disseminated in various channels (see section 3.2) with the aim of covering the entire target group. Training materials will be accessible and inclusive, including translations, ensuring compatibility with assistive technologies for individuals with disabilities, and including examples for various types of companies.

Confidentiality, privacy and safety: Participants' personal information will be safeguarded, ensuring confidentiality throughout the project (e.g. including training participants names as well as any sensitive information shared during discussions; consent will be asked when displaying pictures taken during the project activities). Project partners, as public sector organisations, will strictly adhere to the institutional, national and EU-level data protection policies and standards and require the same from subcontractors. Accessibility and catering to the specific physical, cognitive, dietary, and mental needs of the participants in various project activities is considered in the choice of training and study visit locations, accommodation arrangements, meal planning and travel arrangements.

Gender and non-discrimination mainstreaming is integral part the project. In fact, the main objective of the project is to develop outputs that help employers to implement gender mainstreaming activities into their workplaces. By increasing the competencies of the key national institutions responsible for

employment relations and working conditions (thus including equality and non-discrimination in work life), the project will contribute to gender mainstreaming among the key personnel of the organisations. All of the project outputs will strive for inclusivity, diversity and equality, with prioritising refraining from creating and enforcing gender, ethnicity, age, disability and other group-based stereotypes and strive to debunk said stereotypes. Gender distribution and non-discrimination will be monitored throughout the project as part of the monitoring and evaluation activities, by setting gender-sensitive indicators and collecting and analysing data by gender, region, language, etc., to address disparities and ensure equitable benefits.

#§ETH-ICS-EI\$# #@SEC-URI-SU@#

5.2 Security

Security
Not applicable.

#§SEC-URI-SU\$# #@DEC-LAR-DL@#

6. DECLARATIONS

Double funding	
Information concerning other EU grants for this project	YES/NO
 Please note that there is a strict prohibition of double funding from the EU budget (except under EU Synergies actions).	
We confirm that to our best knowledge neither the project as a whole nor any parts of it have benefitted from any other EU grant (including EU funding managed by authorities in EU Member States or other funding bodies, e.g. EU Regional Funds, EU Agricultural Funds, etc). If NO, explain and provide details.	Yes
We confirm that to our best knowledge neither the project as a whole nor any parts of it are (nor will be) submitted for any other EU grant (including EU funding managed by authorities in EU Member States or other funding bodies, e.g. EU Regional Funds, EU Agricultural Funds, etc). If NO, explain and provide details.	Yes

Financial support to third parties (if applicable)
If in your project the maximum amount per third party will be more than the threshold amount set in the Call document, justify and explain why the higher amount is necessary in order to fulfil your project's objectives.
NA

#§DEC-LAR-DL\$#



ANNEXES

LIST OF ANNEXES

Standard

Detailed budget table/Calculator (annex 1 to Part B) — *mandatory for Lump Sum Grants (see [Portal Reference Documents](#))*

CVs (annex 2 to Part B) — *mandatory, if required in the Call document*

Annual activity reports (annex 3 to Part B) — *mandatory, if required in the Call document*

List of previous projects (annex 4 to Part B) — *mandatory, if required in the Call document*

Special

Other annexes (annex 5 to Part B) — *mandatory, if required in the Call document*



HISTORY OF CHANGES		
VERSION	PUBLICATION DATE	CHANGE
1.0	09.04.2024	Initial version.
2.0	19.09.2024	<p>As per the feedback:</p> <ul style="list-style-type: none"> To address the feedback on deliverables, we have made updates to include additional deliverables for WP1 (mid-term report), WP3 (final report on training outcomes), and WP4 (training materials for awareness-raising and study trip report), as well as refined the descriptions for these and other deliverables to make them more measurable. The timeline has been slightly altered to give more flexibility to conduct research in WP2. However, it must be acknowledged that the timeline in WP2 is tight to ensure the opportunity to conduct a sufficient number of training sessions based on the results of WP2 activities. We take this into account and will involve the entire team in the preparation of the methodology procurement to ensure adherence to the schedule. The timetable in WP3 has been also slightly altered to ensure the continuation from WP2. Budget: the budget under WP1 has been reduced and distributed to WP2-4 for better reflection of the workload under each WPs (the project management cost units in WP1 has been reduced from 12 to 6, units in WP2, WP3, WP4 has been increased by 2 units. Therefore, now the WP1 represents 7% of the budget. The synergies with similar projects are further explained. The subcontracting process is further explained in subcontracting table and the estimated costs are separated. The risk mitigation of Limited participation from a diverse range of employers in the in-person training sessions is further explained.

ANNEX 2

ESTIMATED BUDGET (LUMP SUM BREAKDOWN) FOR THE ACTION

	Estimated EU contribution					
	Estimated eligible lump sum contributions (per work package)					Maximum grant amount ¹
	WP1 Project management and coordination	WP2 Selection, adaptation, and publishing of job evaluation methodology	WP3 Employers’ capacity building	WP4 Institutional capacity building	WP5 Communication and dissemination	
	Lump sum contribution	Lump sum contribution	Lump sum contribution	Lump sum contribution	Lump sum contribution	
Forms of funding	a	b	c	d	e	f = a + b + c + d + e
1 - MKM	24 315.00	82 095.85	168 765.85	33 448.27	14 846.28	323 471.25
2 - LI	0.00	0.00	0.00	8 233.65	0.00	8 233.65
3 - VOLINIK	0.00	0.00	0.00	3 900.15	0.00	3 900.15
Σ consortium	24 315.00	82 095.85	168 765.85	45 582.07	14 846.28	335 605.05

¹ The 'maximum grant amount' is the maximum grant amount fixed in the grant agreement (on the basis of the sum of the beneficiaries' lump sum shares for the work packages).

ANNEX 3

ACCESSION FORM FOR BENEFICIARIES

TOOINSPEKTSIOON (LI), PIC 889079400, established in MAEALUSE TN 2/3, TALLINN 12618, Estonia,

hereby agrees

to become beneficiary

in Agreement No 101191193 — Palk ('the Agreement')

between MAJANDUS JA KOMMUNIKATSIOONIMINISTEERIUM (MKM) and the European Union ('EU'), represented by the European Commission ('European Commission' or 'granting authority'),

and mandates

the coordinator to submit and sign in its name and on its behalf any **amendments** to the Agreement, in accordance with Article 39.

By signing this accession form, the beneficiary accepts the grant and agrees to implement it in accordance with the Agreement, with all the obligations and terms and conditions it sets out.

SIGNATURE

For the beneficiary

ANNEX 3

ACCESSION FORM FOR BENEFICIARIES

SOOLISE VORDOIGUSLIKKUSE JA VORDSE KOHTLEMISE VOLINIKU KANTSELEI (VOLINIK), PIC 917673448, established in Kiriku 4, TALLINN 10130, Estonia,

hereby agrees

to become beneficiary

in Agreement No 101191193 — Palk ('the Agreement')

between MAJANDUS JA KOMMUNIKATSIOONIMINISTEERIUM (MKM) **and** the **European Union** ('EU'), represented by the European Commission ('European Commission' or 'granting authority'),

and mandates

the coordinator to submit and sign in its name and on its behalf any **amendments** to the Agreement, in accordance with Article 39.

By signing this accession form, the beneficiary accepts the grant and agrees to implement it in accordance with the Agreement, with all the obligations and terms and conditions it sets out.

SIGNATURE

For the beneficiary

FINANCIAL STATEMENT FOR THE ACTION FOR REPORTING PERIOD [NUMBER]

EU contribution												
Eligible lump sum contributions (per work package)												Requested EU contribution
	WP1 [name]	WP2 [name]	WP3 [name]	WP4 [name]	WP5 [name]	WP6 [name]	WP7 [name]	WP8 [name]	WP9 [name]	WP10 [name]	WP [XX]	
Forms of funding	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	[Lump sum contribution// Financing not linked to costs]	
Status of completion	COMPLETED	COMPLETED	COMPLETED	COMPLETED	COMPLETED	COMPLETED	COMPLETED	PARTIALLY COMPLETED	PARTIALLY COMPLETED	COMPLETED	NOT COMPLETED	
	a	b	c	d	e	f	g	h	i	j	k	$l = a + b + c + d + e + f + g + h + i + j + k$
1 – [short name beneficiary]												
1.1 – [short name affiliated entity]												
2 – [short name beneficiary]												
2.1 – [short name affiliated entity]												
X – [short name associated partner]												
Total consortium												

The consortium hereby confirms that:

The information provided is complete, reliable and true.

The lump sum contributions declared are eligible (in particular, the work packages have been completed and the work has been properly implemented and/or the results were achieved; see Article 6).

The proper implementation of the action/achievement of the results can be substantiated by adequate records and supporting documentation that will be produced upon request or in the context of checks, reviews, audits and investigations (see Articles 19, 21 and 25).

ANNEX 5

SPECIFIC RULES

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

Rights of use of the granting authority on results for information, communication, dissemination and publicity purposes

The granting authority also has the right to exploit non-sensitive results of the action for information, communication, dissemination and publicity purposes, using any of the following modes:

- **use for its own purposes** (in particular, making them available to persons working for the granting authority or any other EU service (including institutions, bodies, offices, agencies, etc.) or EU Member State institution or body; copying or reproducing them in whole or in part, in unlimited numbers; and communication through press information services)
- **distribution to the public** in hard copies, in electronic or digital format, on the internet including social networks, as a downloadable or non-downloadable file
- **editing** or **redrafting** (including shortening, summarising, changing, correcting, cutting, inserting elements (e.g. meta-data, legends or other graphic, visual, audio or text elements extracting parts (e.g. audio or video files), dividing into parts or use in a compilation
- **translation** (including inserting subtitles/dubbing) in all official languages of EU
- **storage** in paper, electronic or other form
- **archiving** in line with applicable document-management rules
- the right to authorise **third parties** to act on its behalf or sub-license to third parties, including if there is licensed background, any of the rights or modes of exploitation set out in this provision
- **processing**, analysing, aggregating the results and **producing derivative works**
- **disseminating** the results in widely accessible databases or indexes (such as through ‘open access’ or ‘open data’ portals or similar repositories, whether free of charge or not.

The beneficiaries must ensure these rights of use for the whole duration they are protected by industrial or intellectual property rights.

If results are subject to moral rights or third party rights (including intellectual property rights or rights of natural persons on their image and voice), the beneficiaries must ensure that they

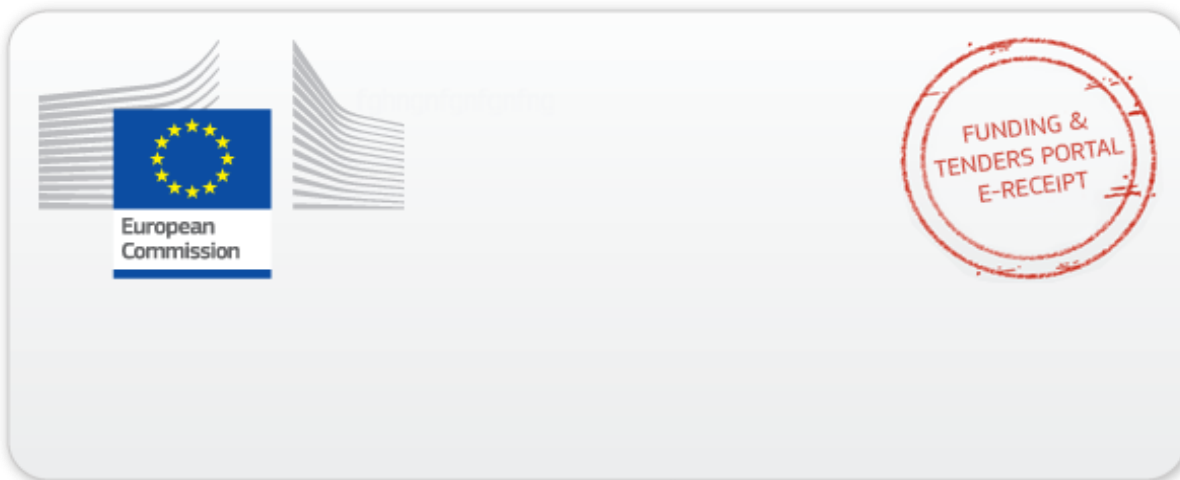
comply with their obligations under this Agreement (in particular, by obtaining the necessary licences and authorisations from the rights holders concerned).

COMMUNICATION, DISSEMINATION AND VISIBILITY (— ARTICLE 17)

Additional communication and dissemination activities

The beneficiaries must engage in the following additional communication and dissemination activities:

- present the project (including project summary, coordinator contact details, list of participants, European flag and funding statement and project results) on the beneficiaries' websites or social media accounts
- for actions involving **publications**, mention the action and the European flag and funding statement on the cover or the first pages following the editor's mention
- for actions involving public **events**, display signs and posters mentioning the action and the European flag and funding statement
- upload the public **project results** to the Rights and Values Project Results platform, available through the Funding & Tenders Portal.



This electronic receipt is a digitally signed version of the document submitted by your organisation. Both the content of the document and a set of metadata have been digitally sealed.

This digital signature mechanism, using a public-private key pair mechanism, uniquely binds this eReceipt to the modules of the Funding & Tenders Portal of the European Commission, to the transaction for which it was generated and ensures its full integrity. Therefore a complete digitally signed trail of the transaction is available both for your organisation and for the issuer of the eReceipt.

Any attempt to modify the content will lead to a break of the integrity of the electronic signature, which can be verified at any time by clicking on the eReceipt validation symbol.

More info about eReceipts can be found in the FAQ page of the Funding & Tenders Portal.

(<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/support/faq>)