CREATIVE EUROPE

MEDIA Sub-programme

Support for the Development of European Video Games

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Annexes:
All the annexes are available on the EACEA/MEDIA website:
https://eacea.ec.europa.eu/creative-europe/funding/development-video-games-2016_en

DEFINITIONS

For the purposes of this Call for Proposals the following definitions shall apply:

Game: an activity played according to rules in a specific game environment and whose achievement is a victory

Video Game: a type of game played on a computer, a game console or other electronic devices

Gameplay: How the Game is played. The Gameplay is based on the game mechanics and on the game design

Game Mechanics: all the different rules and commands programmed in the game and creating the game experience

Graphical User Interface (GUI): a type of interface allowing users to interact with a device through the use of images / icons in conjunction with text.

Intellectual Property (IP): intangible property resulting from a creation and protected by law from being copied or plagiarised.

Medium: a means of storage of a **video game**. It can be physical or dematerialised.

Platform: electronic device on which a **video game** can be played.

Narration: the process of narrating or telling a **story**

Story: a description of real or imaginary, inter-connected, characters and events, written with a view to be told or shown

Accessibility features: specific game features which enhance the accessibility for gamers with disabilities and other impairments

Playable Prototype: is understood under the current guidelines as **Alpha version**, **Beta version** or **Trial version**.

Alpha version: one of the first iterations of a video game. The Alpha version is usually not complete and most likely unstable and comes before the **Beta version**.

Beta version: an improved and more stable iteration of the **Alpha version** of a video game after a first phase of **testing & debugging**. The Beta version usually contains most features of a video game, but still needs **testing & debugging**. The Beta version can be closed (restricted group of invited testers) or open (to a larger public).

Trial version: the first iteration of the first playable level of a video game. It can be played, tested and used for seeking financial partners

Gold Master: the completed final version of a video game from which physical and/or digital copies will be made. The Gold Master is equivalent to Release to Manufacturing or Ready to Market (RTM) and to Release Candidate.

Development: the phase starting from the first idea until the production of the first **playable prototype** or first **trial version**, whichever comes first.

Production: the phase starting from the testing and debugging of the first **playable prototype** or **trial version** until the end the production of the **Gold Master** or equivalent.

Testing & debugging: stage of the **production** phase of a video game aimed at finding problems and solving them.

Game Design Document (GDD): a document created by the development team describing amongst others the story, the characters, the design (level, sound, artworks…), the **gameplay**, the **GUI**, the target audience, etc.

Commercial Distribution: to be understood as: the video game must have generated revenues, i.e. a financial income. These revenues can be generated for example, from the retail sales of the game, from the sales of in-game items or from advertising. However, being commissioned and paid by a client to produce a video game does not constitute a commercial exploitation/distribution per se.

GUIDELINES – EACEA 20/2015

Support for the Development of European Video Games

1. INTRODUCTION - BACKGROUND

These guidelines are based on Regulation No 1295/2013 of the European Parliament and of the Council of 11/12/2013 concerning the implementation of a programme of support for the European cultural and creative sector (CREATIVE EUROPE)[1] and its corrigendum of the 27/06/2014.[2]

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

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

2. OBJECTIVES - THEMES - PRIORITIES

2.1. Objectives

Within the specific objective of reinforcing the European audiovisual sector's capacity to operate transnationally and internationally one of the priorities of the MEDIA Sub-programme is to:

- increase the capacity of audiovisual operators to develop European audiovisual works with a potential to circulate in the Union and beyond and to facilitate European and international co-production.

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

- the development of European audiovisual works in particular films and television works such as fiction, documentaries, children's and animated films, as well as interactive works such as videogames and multimedia with enhanced cross-border circulation potential.

The objective is to increase the capacity of European video game producers to develop projects with highly innovative content and quality gameplay, which will have the potential to circulate throughout Europe and beyond and to improve the competiveness of the European video games industry in European and international markets by enabling the retention of intellectual property by European developers.

Under this Support scheme, applicants may submit a proposal to develop a concept and project (activities to the point that the concept leads to a playable prototype or trial version) of highly innovative and creative narrative storytelling video games designed for commercial exploitation for PCs, consoles, mobile devices, tablets, smart phones and other technologies.

[1] Published in the Official Journal of the European Union on the 20/12/2013 (OJ L347/221).
[2] Published in the Official Journal of the European Union on 27/06/2014 (OJ L 189/260)

2.2. Targeted Projects

The MEDIA Sub-programme supports European video game production companies with proven experience interested in developing a video game concept or project presenting:

- high level of originality, innovative and creative value, cultural diversity and enhanced Europe's cultural identity and heritage compared to existing mainstream works;
- high level of commercial ambition and extensive cross-border potential able to reach European and international markets.

The aim is to provide funds to video game production companies to develop works with high creative value and wide cross-border exploitation potential.

3. TIMETABLE

	Stages	Date and time or indicative period
a)	Publication of the call	December, 2015
b)	Deadline for submitting applications	3rd March, 2016 – 12:00 (noon, Brussels time)
c)	Evaluation period	March – July, 2016
d)	Information to applicants	August, 2016
e)	Signature of grant agreement or notification of grant decision	August/September, 2016
f)	Starting date of the action	Date of Submission
g)	Maximum duration of the action	Until 30 months from the date of submission

Applicants may only make one submission in the frame of this Call for Proposals.

4. BUDGET AVAILABLE

The total budget earmarked for the co-financing of the development of European video games is estimated at EUR 2.6 M.

The amount is subject to the availability of the funds after the adoption of the budget for 2016 by the budgetary authority.

The financial contribution under these Guidelines is between EUR 10.000 and EUR 150.000 for the concept and project development of an European video game (activities to the point that the concept leads to a playable prototype or trial version) provided the amount does not exceed 50% of the total eligible costs of the action.

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

5. ADMISSIBILITY REQUIREMENTS

Applications shall comply with the following requirements:

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

The application form must be accompanied by a balanced budget and all the other documents referred to in the application form.
Failure to comply with those requirements will lead to the rejection of the application.

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

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

6. ELIGIBILITY CRITERIA

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

6.1. Eligible applicants

This Call for Proposals is open to European video game production companies which have been legally constituted for at least 12 months prior to the submission date and that can demonstrate a recent success.

A **European company** is a company established in one of the countries participating to the MEDIA Sub-programme and owned, whether directly or by majority participation (i.e. majority of shares), by nationals from such countries.

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

- EU Member States;
- Acceding countries, candidate countries and potential candidates benefiting from a pre- accession strategy, in accordance with the general principles and general terms and conditions for the participation of those countries in Union programmes established in the respective Framework Agreements, Association Council Decisions or similar agreements;
- EFTA countries which are members of the EEA, in accordance with the provisions of the EEA Agreement;
- The Swiss Confederation, on the basis of a bilateral agreement to be concluded with that country;
- Countries covered by the European Neighbourhood Policy in accordance with the procedures established with those countries following the framework agreements providing for their participation in European Union programmes.

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

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

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

(Updated list of countries that fulfil the conditions referred to in Article 8 of the Regulation and that the Commission has started negotiations with can be found on the following link:
http://eacea.ec.europa.eu/creative-europe/library/eligibility-organisations-non-eu-countries_en)

A **video game production company** is a company whose main object and activity is video game or production (or equivalent) as indicated in the official national registration documents.

A **legally constituted company** is a company which has been founded by a legal act compliant with the relevant legislation.

A company with a recent success is understood as following:

The applicant must provide evidence that it has produced or developed a previous Video Game that is eligible under the terms described in Section 6.2 and that has been commercially distributed after the 01/01/2013 and before the date of submission.

Concerning the production of a previous video game, the applicant must prove that it has produced and/or developed an eligible video game as described under section 6.2. Having been sub-contracted to develop and/or produce a previous eligible video game is not considered as a track record for a recent success. Personal credits cannot be considered as track records either.

To prove the commercial distribution of a previous eligible video game, the applicant must provide a relevant sales report over the reference period.

The applicant must also own the majority of rights related to the submitted project.

The applicant must show that it holds the majority of the rights relating to the project for which support is being sought. It is required to provide a duly dated and signed contract [3] covering the rights to the artistic material included in the application.

[3] The following types of contracts will be accepted:
- an option agreement concerning the transfer of rights between the author and the applicant company, of an adequate duration to cover the whole development schedule and clearly setting out the conditions for exercising the option; or
- a contract transferring the rights from the author to the applicant company.
The option agreement or transfer of rights contract can be replaced by:
- a unilateral declaration of the transfer of rights to the applicant company where the author is the producer, a shareholder or an employee of the company;
- a co-production or co-development agreement duly dated and signed by the parties and clearly showing that the applicant company holds the majority of the rights at the date of the application.

If the project is an adaptation of an existing work (literary, audiovisual, comic-strip etc.), the applicant must also show that it holds the majority of the rights relating to the rights of adaptation to this work[4].

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

- **private entity**: extract from the official journal, copy of articles of association, extract of trade or association register, certificate of liability to VAT (if, as in certain countries, the trade register number and VAT number are identical, only one of these documents is required),
- **public entity**: copy of the resolution or decision establishing the public company, or other official document establishing the public-law entity,
- **entities without legal personality:** documents providing evidence that their representative(s) have the capacity to undertake legal obligations on their behalf.

The following applicants are ineligible:
- Foundations, Institutes, Universities, associations and other legal bodies acting in the public interest;
- groups of companies;
- natural persons.

6.2. Eligible activities

The Creative Europe Programme will not support any projects including pornographic or racist material or advocating violence.

Only the activities relating to the development phase for the following projects are eligible:

- Narrative storytelling video games regardless of platform or expected distribution method. The story must be told or shown throughout the whole game (in-game storytelling) and not only as an introduction or an ending to the game. In all cases the video game must be intended for commercial exploitation.

The following projects are ineligible:

- reference works (encyclopaedias, atlases, catalogues, databases and similar);
- "how-to" works (instructional guides, manuals and similar);
- tools and software services aimed solely at technological development and/or used solely for further developing already existing game concepts;
- information or purely transactional services;
- projects promoting tourism;
- multimedia art projects and installations;
- websites being, or dedicated specifically to, social platforms, social networking, internet forums, blogs or similar activities;
- projects including pornographic or racist material or advocating violence;
- works of a promotional nature being part of a promotional campaign or advertising for a specific product and/or brand;
- institutional productions to promote a specific organisation or its activities;
- platforms for games;
- (interactive) e-books, interactive fictions, interactive animations, interactive documentaries;
- puzzle games, memory games, sports games, racing games, running games, rhythm/singing/dancing games, social games, quiz games, party games, versus-fighting games, word and spelling games, number games, mind games.

[4]Option agreement or transfer of rights contract duly dated and signed

The production phase (see definition) of the submitted project must not be scheduled to start before 8 months after the date of submission of the application.

Applications requesting financial contributions of less than EUR 10.000 are ineligible.

With the exception of the costs related to the acquisition of author rights (see point 11.1.b), activities may not start before the date of submission of the application and must end 30 months after this date.

If the project enters into production before the end of this period, the action ends on the date of entry into production of the project.

However, if after the signing of the decision/agreement and the start of the project it becomes impossible for the beneficiary, for fully justified reasons beyond its control, to complete the project within the scheduled period, an extension to the action and to the eligibility period may be granted. A maximum extension of 6 additional months will be granted, if requested before the deadline specified in the agreement/decision. The maximum duration will then be 36 months after the submission of the application.

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

7. EXCLUSION CRITERIA

7.1. Exclusion from participation

Applicants will be excluded from participating in the call for proposals procedure if they are in any of the following situations:

(a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;

(b) they or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of res judicata;

(c) they have been guilty of grave professional misconduct proven by any means which the responsible authorising officer can justify including by decisions of the EIB and international organisations;

(d) they are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the responsible authorising officer or those of the country where the grant agreement is to be performed;

(e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such illegal activity is detrimental to the Union' financial interests;

(f) they are currently subject to an administrative penalty referred to in Article 109(1) of the Financial Regulation.

7.2. Exclusion from award

Applicants will not be granted financial assistance if, in the course of the grant award procedure, they:

(a) are subject to a conflict of interests;

(b) are guilty of misrepresentation in supplying the information required by the Agency as a condition of participation in the grant award procedure, or fail to supply this information.
(c) find themselves in one of the situations of exclusion referred to in the above section 7.1.

Administrative and financial penalties may be imposed on applicants, or affiliated entities where applicable, who are guilty of misrepresentation or are found to have seriously failed to meet their contractual obligations under a previous grant award procedure.

7.3. Supporting documents

Applicants for a grant exceeding EUR 60.000 must sign a declaration on their honour certifying that they are not in one of the situations referred to in the above sections 7.1. and 7.2, filling in the relevant form attach to the application form accompanying the call for proposals and available at https://eacea.ec.europa.eu/creative-europe/funding/development-video-games-2016_en

8. SELECTION CRITERIA

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

8.1. Financial capacity

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out or the year for which the grant is awarded and to participate in its funding. The applicants' financial capacity will be assessed on the basis of the following supporting documents to be submitted with the application:

a) Low value grants (≤ EUR 60 000):
   - a declaration on their honour.

b) Grants > EUR 60 000:
   - a declaration on their honour
   - the financial statements (including the balance sheet, the profit and loss accounts and the annexes) of the last two financial years for which the accounts have been closed
   - financial capacity form provided for in the application form, filled in with the relevant statutory accounting figures, in order to calculate the ratios as detailed in the form.

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

- request further information;
- propose a grant agreement/decision without pre-financing;
- propose a grant agreement/decision with a pre-financing covered by a bank guarantee (see section 11.4 below);
- propose a grant agreement/decision without pre-financing but an interim payment based on expenses already occurred.
- reject the application.

8.2. Operational capacity

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action. In this respect, applicants have to submit a declaration on their honour and for those applying for a grant above EUR 60.000 the following supporting documents:

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

9. AWARD CRITERIA

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

	Criteria	Definitions	Max. Weighting
1	Quality and content activities	Quality of the content, the storytelling of the project and originality of the concept against existing works	*20*
2	Innovative character of the project	Innovation i.e. the extent to which the project pushes the boundaries of the existing offer proposing "cutting edge" techniques and content	*20*
3	Relevance and European added-value	The development strategy and potential for European international exploitation (including management of IP rights)	*20*
4	Dissemination of project results	The distribution, communication and marketing strategy and suitability for the target audience including accessibility features	*20*
5	Organisation of the project team	The distribution of the roles and responsibilities of the creative team vic-à-vis the specific objectives of the proposed action	*10*
6	Impact and sustainability	The financing strategy for the development and production and the feasibility of the project	*10*

Additional "automatic" points for:

Description	Extra points
A project **specifically** targeted at children up to the age of 12 years old	*5*

If the project is specifically targeted at children up to 12 years old, this will have to be addressed in details in the application.

Detailed description of the award criteria and breakdown of points:

General interpretation of award criteria relevant for all applications	Weighting	Elements of analysis of the award criteria
1. Quality of the content, the storytelling of the project and originality of the concept against existing works	**20**	
1a. Quality of the storytelling & originality of the concept	10	• quality of the storytelling • originality of the concept

1b. Quality of the content	5	• quality of the graphic & sound design (if available) • quality of the level & character design (if available) • visual approach
1c. Quality of the gameplay	5	• quality of the proposed gameplay • originality of the gameplay • adequacy of the gameplay to the storytelling
2. Innovation i.e. the extent to which the project pushes the boundaries of the existing offer proposing "cutting edge" techniques and content	**20**	
2a. Innovative techniques	10	• innovative aspects in terms of o gameplay o use of new technologies or new platforms o Graphical User Interface o Head-up Display (or HUD)
2b. Innovative content	10	• innovative aspects in terms of o storytelling o visual/graphic approach o musical/sound approach
3. The development strategy and potential for European international exploitation (including management of IP rights)	**20**	
3a. The development strategy	10	• adequacy of the development plan to the needs of the application • sufficiency of detail • adequacy of development schedule planned
3b. Potential for European international exploitation	10	• transnational appeal taking into account o the subject o the type of game • potential to cross borders taking into account o the team, o the story and characters, o the strategies presented
4. The distribution, communication and marketing strategy and suitability for the target audience including accessibility features	**20**	
4a. The distribution strategy	10	• relevance of the distribution strategy in terms of: o distribution methods foreseen, o choice of platform/media o partners in place or envisaged o awareness of the markets, European/international vision o choice of territories (local, European, international)
4b. The communication and marketing strategy	5	• relevance of the marketing strategy in terms of:

		○ marketing channels & promotional activities ○ adequacy of the communication & marketing plan ○ selling points
4c. Suitability for the target audience	5	• identified target audience taking into account ○ gender ○ age ○ game rating (PEGI or equivalent) ○ type of users & platforms • project adapted to the target audience • project encouraging accessibility for gamers with disabilities and other impairments
5. The roles and responsibilities of the creative team vis-à-vis the specific objectives of the proposed action	**10**	• potential of the creative team • adequacy of the team to the project • complementary profiles in the creative team
6. The financing strategy for the development and production and the feasibility of the project	**10**	
6a. The financing strategy	5	• quality and realism of the financing strategy / plan • adequacy of the financing strategy compared to the estimated production costs • awareness of the suitable potential partners • experience or ability of the applicant to secure the necessary co-financing
6b. Feasibility of the project	5	• likelihood to succeed due to artistic qualities • potential to attract distributor(s) / publisher(s) • potential to go into production • sales potential and revenue streams

10. LEGAL COMMITMENTS

In the event of a grant awarded by the Agency, a grant agreement or a grant decision, drawn up in euro and detailing the conditions and level of funding, will be sent to the beneficiary, as well as the procedure in view to formalise the obligations of the parties.
The form of the legal commitment will depend on the country of origin of the beneficiary:

- Agreement:
  When the awarded applicant comes from a MEDIA country, out of the EU Members States,
  the 2 copies of the original agreement must be signed first by the beneficiary and returned to the Agency immediately. The Agency will sign them last.

- Decision:

When the awarded applicant comes from an EU Member States, the Decision will be signed only by the Agency acting under powers delegated by the Commission.

The decision must not be returned to the Agency. The general conditions applicable to the decision (General Conditions II.a) are available in the 'Documents register' of the Agency website: http://eacea.ec.europa.eu/about/eacea_documents_register_en.php#call

As regards grant decisions, beneficiaries understand that:

Submission of a grant application implies acceptance of these General Conditions. These General Conditions bind the beneficiary to whom the grant is awarded and shall constitute an annex to the Grant Decision.

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

11. FINANCIAL PROVISIONS

11.1. General Principles

a) Non-cumulative award

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

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

b) Non-retroactivity

No grant may be awarded retrospectively for actions already completed.

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

In such cases, costs eligible for financing may not have been incurred prior to the date of submission of the grant application. Only the costs related to the acquisition of author rights are eligible retroactively for a period of 12 months preceding the date of submission.

c) Co-financing

Co-financing means that the resources which are necessary to carry out the action may not be entirely provided by the EU grant.

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

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

d) Balanced budget

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

The budget must be drawn up in euros.

Applicants which foresee that costs will not be incurred in euros shall use the exchange rate published on the Infor-euro website available at:
http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm. on the date of the publication of this call for proposals.

e) Implementation contracts/subcontracting

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary must award the contract to the bid offering best value for money or the lowest price (as appropriate), avoiding conflicts of interests and retain the documentation for the event of an audit.

Entities acting in their capacity of contracting authorities in the meaning of Directive 2004/18/EC[5] or contracting entities in the meaning of Directive 2004/17/EC[6] shall abide by the applicable national public procurement rules.

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

- it may only cover the implementation of a limited part of the action;
- it must be justified having regard to the nature of the action and what is necessary for its implementation;
- it must be clearly stated in the proposal or prior written authorisation from the Agency must be obtained.

f) Financial support to third parties

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

11.2. Funding forms

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

- **Maximum amount requested**

The EU grant is limited to a maximum co-financing rate of 50% of total eligible costs;

Consequently, part of the total eligible expenses entered in the estimated budget must be financed from sources other than the Union grant.
The amount of the own resources indicated in the revenue part of the estimated budget is regarded as secured, and the amount as a minimum, must be entered in the revenue section of the final account.

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

[5] Directive 2004/18/EC on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts.
[6] Directive 2004/17/EC coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors.

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

- **Eligible costs**

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

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

N.B.: The period of eligibility of costs will start on the date of submission of the application and end 30 months after the submission. Only the costs related to the acquisition of author rights is eligible retroactively for a period of 12 months preceding the date of submission.

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

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

- they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost-accounting practices of the beneficiary;

- they comply with the requirements of applicable tax and social legislation;

- they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

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

Eligible direct costs:

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

- the cost of personnel working under an employment contract with the applicant or equivalent appointing act and assigned to the action, comprising actual salaries plus social security contributions and other statutory costs included in their remuneration, provided that these costs are in line with the applicant's usual policy on remuneration**. NB: this cost must be actual cost incurred by the beneficiary and staff cost of other organisations is eligible only if it is paid directly or reimbursed by the beneficiary**. These costs may include additional remuneration, including payments on the basis of supplementary contracts regardless of their nature, provided that it is paid in a consistent manner whenever the same kind of work or expertise is required and independently from the source of funding used.

- subsistence allowances (for meetings, including kick-off meetings where applicable, European conferences, etc.) provided that these costs are in line with the beneficiary's usual practices;

- costs of travel (for meetings, including kick-off meetings where applicable, European conferences, etc.), provided that they are in line with the beneficiary's usual practices on travel;

- depreciation cost of equipment (new or second-hand), only the portion of the equipment's depreciation corresponding to the duration of the action and the rate of actual use for the purposes of the action may be taken into account by the Agency, **except where the nature and/or the context of its use justifies different treatment by the Agency;**

- costs of consumables and supplies, provided that they are identifiable and assigned to the action;

- costs entailed by other contracts awarded by the beneficiary or its partners for the purposes of carrying out the action, provided that the conditions laid down in grant agreement or grant decision are met;

- costs arising directly from requirements linked to the performance of the action (dissemination of information, specific evaluation of the action, translations, reproduction, etc.),

- costs relating to a pre-financing guarantee lodged by the beneficiary of the grant, where required;

- costs relating to external audits where required in support of the requests for payments;

- non deductible value added tax ("VAT") for all activities which are not activities of the public authorities in the Member States.

Eligible indirect costs (overheads)

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

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

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

- **Ineligible costs**

The following costs shall not be considered eligible:

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

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

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

- a final report providing details of the implementation and results of the action;
- the final financial statement of costs actually incurred;
- the beneficiary is also required to submit, in support of the final payment, a "Report of Factual Findings on the Final Financial Report - Type I" produced by an approved auditor or in case of public bodies, by a competent and independent public officer.

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

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

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

If the eligible costs actually incurred by the beneficiary are lower than anticipated, the Agency will apply the rate of co-financing stated in the grant agreement/decision to the expenditure actually incurred.
In the event of non-execution or clearly inadequate execution of an activity planned in the application attached to the funding decision/agreement, the final grant will be reduced accordingly.

Non-profit rule
EU grants may not have the purpose or effect of producing a profit within the framework of the action of the beneficiary. **Profit shall be defined as a surplus of receipts over the eligible costs incurred by the beneficiary, when the request is made for payment of the balance.** In this respect, where a profit is made, the Agency shall be entitled to recover a percentage of the profit corresponding to the Union contribution to the eligible costs actually incurred by the beneficiary to carry out the action.

The verification of non-profit does not apply to low value grants, i.e. ≤ EUR 60 000.

11.3. Payment arrangements

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

If specified in the grant agreement/decision an Interim payment shall be paid to the beneficiary. Interim payment is intended to cover the beneficiary's expenditure on the basis of a request for payment when the action has been partly carried out. For the purpose of determining the amount due as interim payment, the reimbursement rate to be applied to the eligible costs approved by the Agency shall be 50%.

The Agency will establish the amount of the final payment to be made to the beneficiary on the basis of the calculation of the final grant amount (see section 11.2 above). If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the Agency through a recovery order.

11.4. Pre-financing guarantee

In the event that the applicant's financial capacity is not satisfactory, a pre-financing guarantee for up to the same amount as the pre-financing may be requested in order to limit the financial risks linked to the pre-financing payment.

The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the Member States of the European Union. When the beneficiary is established in a third country, the authorising officer responsible may agree that a bank or financial institution established in that third country may provide the guarantee if he considers that the bank or financial institution offers equivalent security and characteristics as those offered by a bank or financial institution established in a Member State. Amounts blocked in bank accounts shall not be accepted as financial guarantees.

The guarantee shall be released as the pre-financing is gradually cleared against interim payments or payments of balances to the beneficiary, in accordance with the conditions laid down in the grant agreement/decision.

12. PUBLICITY

12.1. By the beneficiaries

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

In this respect, beneficiaries are required to give prominence to the name and logo of the Creative Europe – MEDIA programme on all their publications, posters, programmes and other products realised under the co-financed project.

To do this they must use the text, the logo and the disclaimer available at http://ec.europa.eu/dgs/education_culture/promo/creative-europe/eps/eps.zip, which will be provided by the Agency.

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

12.2. By the Agency and/or the Commission

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

The Agency and/or the Commission will publish the following information:

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

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

12.3. Communication and dissemination

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

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

13. DATA PROTECTION

All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the European Community institutions and bodies and on the free movement of such data.[7]

[7] Official Journal L 8, 12.1.2001.

Unless marked as optional, the applicant's replies to the questions in the application form are necessary to evaluate and further process the grant application in accordance with the specifications of the call for proposals. Personal data will be processed solely for that purpose by the department or Unit responsible for the Union grant programme concerned (entity acting as data controller). Personal data may be transferred on a need to know basis to third parties involved in the evaluation of applications or in the grant management procedure, without prejudice of transfer to the bodies in charge of monitoring and inspection tasks in accordance with European Union law. In particular, for the purposes of safeguarding the financial interests of the Union, personal data may be transferred to internal audit services, to the European Court of Auditors, to the Financial Irregularities Panel or to the European Anti-Fraud Office and between authorising officers of the Commission and the executive agencies.
The applicant has the right of access to, and to rectify, the data concerning him or her. For any question relating to these data, please contact the Controller. Applicants have the right of recourse to the European Data Protection Supervisor at any time. A detailed Privacy statement, including contact information, is available on EACEA's website:
http://eacea.ec.europa.eu/about/documents/calls_gen_conditions/eacea_grants_privacy_statement.pdf

Applicants and, if they are legal entities, persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations mentioned in:

- Commission Decision of 13 November 2014 on the Early Warning System (EWS) to be used by authorising officers of the Commission and by the executive agencies (OJ L 329, 14.11.2014, p. 68-80), or
- Commission Regulation of 17.12.2008 on the Central Exclusion Database – CED (OJ L 344, 20.12.2008, p. 12),

their personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the EWS only or both in the EWS and CED, and communicated to the persons and entities listed in the above-mentioned Decision and Regulation, in relation to the award or the execution of a procurement contract or a grant agreement or decision.

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

14.1. Publication

The call for proposals is being published on the Internet site of the EACEA Agency at the following address:
https://eacea.ec.europa.eu/creative-europe/funding/development-video-games-2016_en

14.2. Registration in the Participant Portal

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

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

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

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

Details on the supporting document that need to be uploaded in the portal can be found on the following link: http://eacea.ec.europa.eu/creative-europe/actions/media_en

14.3. Submission of the grant application

Proposals must be submitted in accordance with the admissibility requirements set out under section 5 and by the deadline set out under section 3.

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

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

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

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

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

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

Applicants should note that no applications submitted after 12:00 CET/CEST on the deadline will be accepted. They are very strongly encouraged not to wait until the final day to submit their application.

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

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

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

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

14.4. Evaluation procedure

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

The assessment is made solely on the basis of the documents sent by the relevant deadline. Nevertheless, the Agency reserves the right to request additional information from the applicant regarding the eligibility criteria set out under section 6 of these Guidelines.

14.5. Award decision

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

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

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

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

14.6. Rules applicable

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

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

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

14.7. Contacts

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

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

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

Annexes:

- Annex 1: Detailed description of the project. A free word or pdf document containing **the artistic material** related to the project. For more details, please refer to the eForm Operational User guide

- Annex 2: Budget Form – Video Games
- Annex 3: Declaration on applicant's honour (The declaration on the applicant's honour must be attached to the E-Form)
- Annex 4 – Track record of the applicant company
- Annex 5 – Miscellaneous (free word or pdf document containing additional material about the submitted project)
- Annex 6 - Expert Guide
- Annex 7 - Model agreement/decision
- Annex 8 – Financial Capacity Form