EUROPEAN HEALTH AND DIGITAL EXECUTIVE AGENCY (HADEA)



Health and Food **EU4Health**

Brussels, 23 January 2023

Questions and Answers related to the Call for proposals for operating grants to NGOs. Financial contribution to the functioning of health non-governmental bodies implementing one or more specific objectives of Regulation (EU) 2021/522 (EU4H-2023-OG)

1. Which countries are eligible for funding under the EU4Health Programme?

The proposals for an action under the EU4Health Programme must relate to activities taking place in "eligible countries". Currently, only the EU Members States, Iceland, Norway and Ukraine are eligible for funding.

2. Eligible entities and financial support to third parties

Only applications by single applicants are allowed (single beneficiaries). Proposals must be submitted by legal entities established in countries eligible for the EU4Health Programme.

Currently, only the EU Member States, Iceland, Norway and Ukraine are eligible for funding."

Eligibility requirements are detailed described in section 6 of the call:

"NGOs active in the public health area, have to comply as follows:

- Non-for profit
- Independence of industry, commercial and business
- Active in the public health area and pursue at least on the specific objectives on Regulation (EU) 2021/522
- Being active at Union level in at least half of the Member States with a balanced geographical coverage of the Union
- Play an effective role at Unio level
- Financial support necessary for the implementation of one or more of the specific objectives of Regulation (EU) 2021/522

Third parties mean outside of your organisation.

Financial support to third parties is not eligible. Subcontracting costs may be eligible.

3. How are health NGOs defined?

Health NGOS eligible for this call are defined as per the fulfilment of all the requirements listed in section 6 – Eligibility – of this call.

4. Can you please explain the reference in page 12 of the Call document saying as follows: "Please note that if the action will be implemented by the members, they should also participate (either as beneficiaries or as affiliated entities (if any), otherwise their costs will NOT be eligible)."

As mentioned in the specific eligibility for this topic, this only for mono-beneficiary applications. One single entity. Neither affiliated entities nor associated should be included in the proposal. Consortium applications will be declared inadmissible and not evaluated.

5. Is Mono-beneficiary within this call like Marie Sklodowska-Curie Action actions where one beneficiary signs the Grant Agreement and manages the funds but there are other implementing partners that receive funds from the beneficiary or only available for one single institution?

Mono-beneficiary within this topic means one single entity. Financial support to third parties is not allowed.

6. Can we make consortium with other EU NGOs to implement actions and them the actions will be implemented by other stakeholders? How they will be paid and included budget?

Only mono-beneficiary applications will be admissible. Consortium applications will be declared inadmissible and not evaluated. In addition, financial support to third parties is not allowed.

7. Are international organisations eligible under this call? Article 13 (1)(b) of the of Regulation (EU) 2021/522 refers to "be a legal entity created under the Union Law or an international organization".

Only Health NGOs can participate in this call. International organisations are not eligible. NGOs which have an international coverage, meaning acting in several countries, may participate as far as all the requirements of section 6 Eligibility of the call document are fulfilled.

Specific questions about a named entity will be only assessed once the application is submitted and we check the statutes of the entity and the other mandatory annexes.

8. To be eligible, can the applicants be public entities? The call refers only to NGOS, could you explain how public bodies can be eligible within this topic?

NGOs are non-governmental entities. This call topic is only for Health NGOs. Other entities are not admissible for this call. Please visit the <u>Funding & tenders (europa.eu)</u> for other topics in which other type entities are eligible.

9. Page 11 on the call topic refers to "Associations and interest groupings — Entities composed of members may participate" could you explain further?

As far as only a single entity applies, and it is a health NGO (which of course may have members) and fulfils all the requirements listed in section 6 - Eligibility - of the call document, you can submit an application for evaluation.

10. Mandatory annexes - Admissibility

All the documents related to the proposal – application form A & B, and the mandatory annexes, which are listed and requested in the call document – Section of the call; admissibility and documents - must be submitted at the proposal submission stage via the system. They can be merged in a unique pdf to be uploaded under the section "other annexes", ideally with the enclosure of a basic legend indicating the order."

11. Regarding the list of Annexes and supporting document listed in the call section 5, however not of these mandatory annexes have their dedicated mandatory section for upload on the funding portal. Should all the other annexes and supporting documents with no specific dedicated section be uploaded in 1 document in "other annexes"? In addition, there are other proof documents listed in the eligibility criteria table section 6 of the call. Should these documents be uploaded as well in "other annexes"?

Yes indeed, these can be uploaded in the "Other annexes" section.

12. Is the organisational self-assessment mandatory as an annex, and (b) if yes, on what elements will it be assessed?

All documents listed as mandatory annexes under section 5 of the call document: Admissibility and documents are needed to be submitted to consider the proposal complete and therefore admissible. The self-assessment of the effectiveness of your organisation needs to refer to previous actions implemented or developed demonstrating how your organisation plays an effective role at Union level.

13. The eligibility criterion specifies among them being active at Union level in at least half of the Member States - demonstrated through members. Would you count as 'coverage' if a member is active in different MSs but only established in one country (e.g., working on cross-border health in XYZ country but established in X country).

It is up to the applicant to demonstrate how it fulfils the requirements.

It will depend on the activities that this member is doing in those 3 countries (MSs) and how you explain the impact. We cannot assess upfront of the call deadline.

14. Is it mandatory for a successful applicant to have members/statutory member organisations in at least half of all Member States (proven by list of members), or may it suffice that the applicant is otherwise significantly active in half of all Member States (proven by activity reports – for example regular activities implemented in those Member States and/or with partners from those Member States who are not themselves members of the applicant NGO?

You must explain in the proposal and annexes submitted how the NGO alone or with its members is active at Union level in at least half of the MSs with a balanced geographical coverage of the Union. We cannot assess upfront of the call deadline.

15. Sharing the member list, when the members are individuals, can only be made under very strict GDPR rules and after the written express consent of each member (which might take a lot of time to process). Maybe a declaration with the total number of members and patient/ carers would be easier to prepare for the purpose of this submission? Also, how will the evaluations consider the number of members in the case of rare diseases, where the patient population is normally very low, while the patient needs are very specific and usually can only be delivered by the respective patient organisation?

The mandatory annex requested for the list of members means those with rights and obligations as per the statutes of the NGO. The statutory members list, which will be used as one of the documents to assess, with others, how the health NGO is being active at Union level in at least half of the Member States with a balanced geographical coverage of the Union.

16. There is a mandatory annex requested, list of projects, that is explained in the grant document as follows: - list of previous projects (key projects for the last 4 years) (template available in Part B), e.g., Project Reference, No and Title, Funding programme. Is there a separate template different from this in Part B? What means "projects", EU-funded projects only?

As per the call document, it is mandatory to applicants to submit a list of previous projects (key projects for the last 4 years). The template is available within Part B of the application documents, and therefore you can submit it either within Part B or as separate annex.

Regarding its content it is a list of 'key projects' of your organisation. It is not restricted to EU funded project. The call text mentions just examples as per 'e.g.,'

17. Could you explain about the requirements of Health NGOs that are currently dependent on industry funding?

The applicant must, at submission stage, demonstrate that is financially independent by: a) submitting proof that not more than 30% of the core funding of the applicant organisation is received from private sector donors; or b) if the above core funding threshold is exceeded, but is below 50%, demonstrating that private sector donors do not exercise influence on the decision and regular activities of the applicant organisation.

18. Regarding the financial independence criteria, will a Health NGO considered ineligible if its funding that qualifies as "industry/private" is above 50% of its income for the past 2 years, but which can demonstrate independence from any or all individual funding entities?

50% threshold is the limit for core funding of the applicant organisation being received from industry. Core funding is defined in the call document section 6.

19. What do the criteria on private/industry funding mean and entail in terms of potential limitations of access to this funding opportunity?

The applicant must, at submission stage, demonstrate that is financially independent by: a) submitting proof that not more than 30% of the core funding of the applicant organisation is received from private sector donors; or b) if the above core funding threshold is exceeded, but is below 50%, demonstrating that private sector donors do not exercise influence on the decision and regular activities of the applicant organisation.

Core funding means financing required for the basic structure of an organisation, including salaries of fulltime staff, facilities, equipment, communications and direct expenses of its day-to-day work.

Private sector is described to cover 'for-profit' companies/enterprises/corporations, business organisations or other entities irrespective of their legal nature (registered/not registered), ownership (wholly or partially privately owned/State owned) or size (large/small), if they are not controlled by the public.

20. If a NGOs that have existed for (longer than) 2 years cannot supply the financial documents requested as mandatory annexes, can it still apply if request less than 60 000 EUR?

Applicants have to demonstrate that they have stable and sufficient resources to successfully implement the proposal, as it is only partially funded by EU funds.

A financial capacity check will be carried out on the basis of the documents, which applicants will be requested to upload in the Participant Register during the grant agreement preparation (e.g., profit and loss account and balance sheet, business plan, audit report produced by an approved external auditor, certifying the accounts for the last closed financial year, etc.). The analysis will be based on neutral financial indicators, but will also take into account other aspects, such as dependency on EU funding and deficit and revenue in previous years.

Additionally, and according to the EU Financial regulation – to verify your operational and financial capacity – for operating grants requesting over 100.000 EUR, you must provide the last two available financial reports.

All the requirements need to be met.

21. Can a newly established NGOs participate in this call if not having two financial years existence but applying for a co-funding below 10 000 EUR.

The requirement of financial information in the previous two years, as per the mandatory annexes, is compulsory. It is not linked to the amount requested.

22. In January we will not have an audited annual account for the 2022 year. Will it be correct submitting the financial reports for the years 2020 and 2021?

Yes, submitting the last two available financial years is appropriate.

23. It is written that the language of the application must be in one of the official EU languages, so if we decided to apply in English we have to stick in English, or we can upload some files in native language? Do we need to translate every document?

The mandatory annexes – listed in section 5 of the call document - can be sent in the official language.

24. Should a beneficiary of an OGs in previous Health Programmes reply 'yes' to the question within the application form part A: has this proposal (or a very similar one) been submitted in the past 2 years in response to a call for proposals under any EU programme, including the current call of the country in which you are based.

You should response 'Yes'.

25. If the applying Health NGO has no human capital to implement the activities, is it allowed to ask a grant for paying this new office staff?

Applicants have to demonstrate that they have stable and sufficient resources to successfully implement the proposal, as it is only partially funded by EU funds.

26. Is there a minimum grant amount to be requested for co-funding? What were the smallest grants paid out in the past, please?

There is not a minimum amount. Results of previous granted OGs are available here <u>https://ec.europa.eu/info/funding-</u>tenders/opportunities/portal/screen/opportunities/projects-results

27. How many applications will be granted?

The available total budget of the topic is 9 million EUR. Proposals will be ranked based on the evaluation results and budget will be allocated based on the evaluation.

28. If the deadline is fixed on 31 January 2023, but there are proposals submitted earlier, how much of the budget will be reserved for those proposals that are submitted at the deadline?

The evaluation of all the proposals submitted will only take place at the close of call deadline. Early submissions, prior the call deadline, only may have impact for retroactive start of the Grant Agreement.

29. Is it possible to submit more than one project proposal?

This is not a call for action projects. It is a call for operating grant of a Health NGO. Please carefully read the call document.

30. Is it necessary to implement the programme in more than one Member State?

Yes, it is.

31. It has been noted during the info-day session that it is necessary to implement the programme in more than one Member State. Does this mean that to be eligible for the grant the NGO has to be actively operating in many European Countries? Is it not enough to be actively operating in our country and participating in European Collaborations through another entity which it is an umbrella organisation?

As noted in the call document content, or published guidance documents, NGOs active in the public health area must demonstrate, among other requirements:

- being active at Union level in at least half of the Member States with a balanced geographical coverage of the Union.
- play an effective role at Union level, providing a self-assessment of the effectiveness of previous actions carried out by the NGO playing an effective role at Union level.
- activities need to be implemented in more than one of the eligible countries.

Since this is a mono-beneficiary application, eligibility requirements described in section 6 of the call, must be fulfilled by the OG beneficiary/applicant itself.

32. When can actions/activities be considered to have exceptional utility?

The applicable co-financing rate has been specified in the text of the call for proposals: "The costs will be reimbursed at the funding rate fixed in the Grant Agreement (60%). You can apply for a higher project funding rate (80%) if your project is of 'exceptional utility', i.e. concerns:

At least 30 % of the budget of the operating grants is allocated to activities in *(one or more)* Member States whose Gross Net Income per inhabitant is less than 90% of the EU average."

The activities must be included in the proposal of the applicant and, in accordance with the call document, they should be related to at least one of the specific objectives laid down in Article 4 of Regulation (EU) 2021/522. Furthermore, the eligible cost for those

activities shall be incurred by the applicant and not by its members. The applicant shall provide a "Appropriate financial proof - The activities and their related costs must be described in part B of the proposal."

Please, be aware that estimated costs indicated in the budget of the proposal is a forecast of the financial resources needed to ensure participation of the beneficiary in activities that are necessary to implement one or more specific objective of the EU4Health programme. These costs will be considered as eligible for the reimbursement ONLY if they will be actually incurred for the activity(ies) being co-funded and declared in the final report. Accordingly, the co-financing rate will be applied only to eligible costs."

33. Is there a list of Member States with gross net income per capita less than 90% of the EU average?

The table of MSs and associated countries to the EU4Health programme GNI per inhabitant will be published in January 2023 for the AWP 2023.

34. The table of MSs and associated countries to the EU4Health programme GNI per inhabitant will be published in January 2023 for the AWP 2023. " What table we can use if we submit our application before 31st December 2022?

Use as reference the current available table. Please see link below. However, the final assessment will be done based on the table for the AWP 2023.

GNI for exceptional utility EU4H-2021.xlsx (europa.eu)

35. Do all NGOs applying need to fulfil the exceptional utility requirement?

The applicable co-financing rate has been specified in the text of the call for proposals: "The costs will be reimbursed at the funding rate fixed in the Grant Agreement (60%). You can apply for a higher project funding rate (80%) if your project is of 'exceptional utility'. Applying for exceptional utility is an option not an obligation.

36. What are the rules for subcontracting?

As an applicant, you may consider including an entity as subcontractor within the proposal. However, please note that subcontracting should normally constitute a limited part of the project. Additionally, it needs to be justified (give reasons). Applicants need to explain why they are not able to carry out these tasks, and, therefore, they need to subcontract another entity.

Please be reminded that subcontracting procedures should follow transparency, best value for money and no conflict of interest. In addition, technical and financial coordination should not be subcontracted. We recommend you to consult the model grant agreement articles on eligibility of costs and subcontracting (please refer to the *Operating Grant Model Grant Agreement*, which is available in the Funding & Tender portal under *Call documents*)."

Subcontracting costs might be introduced under Title III of the detailed budget.

37. If we make use of consultants (they are paid after they invoice us) can we recuperate these costs?

Subcontracting costs may be eligible. Please read the rules for subcontracting in the Model Grant Agreement and in dedicated question number 33.

38. Subcontracting is allowed but not payment to third parties. Could you further comment on it.

Third parties mean outside of your organisation.

Financial support to third parties is not eligible. Subcontracting costs may be eligible.

As an applicant, you may consider including an entity as subcontractor within the proposal. However, please note, that subcontracting should normally constitute a limited part of the project. Additionally, it needs to be justified (give reasons). Applicants need to explain why they are not able to carry out these tasks, and, therefore, they need to be subcontract another entity.

39. In what ways can participating entities co-fund the remaining amount of the budget proposal? Is there a minimum amount of co-financing? Can it be in kind or does it have to be in cash?

An operating grant cannot fund all the operating costs incurred by the beneficiary body. Therefore, the beneficiary must have its own source of funding to contribute to the annual operating budget of the organisation whose statutory activities serve the strategic objectives of EU policies.

If the reimbursement rate of the grant is up to 60% or, in the case of exceptional utility, up to 80% of the eligible costs, the beneficiary (-ies) must fund the remaining percentage from other sources in line with the co-financing principle.

These sources, based on Article 190 of the EU Financial Regulation 2018/1046 and unless specified otherwise in the call document, may be provided in the form of the beneficiary's own resources, income generated by the action or Work Programme, or financial or inkind contributions from third parties.

The applicant must include the other sources of funding, i.e. other third party contributions – please consult the concerning part of the detailed budget template."

40. How is an applicant's financial viability to implement a project assessed?

Applicants have to demonstrate that they have stable and sufficient resources to successfully implement the proposal, as it is only partially funded by EU funds.

A financial capacity check will be carried out on based on the documents, which applicants will be requested to upload in the Participant Register during the grant agreement preparation (e.g. profit and loss account and balance sheet, business plan, audit report produced by an approved external auditor, certifying the accounts for the last closed financial year, etc.). The analysis will be based on neutral financial indicators, but will also take into account other aspects, such as dependency on EU funding and deficit and revenue in previous years.

Additionally, and according to the EU Financial regulation – to verify your operational and financial capacity – for operating grants requesting over 100.000 EUR, you must provide the last two available financial reports.

All the requirements need to be met.

41. What financial audit shall be provided if we apply for EU-contribution of ≥ EUR 100 000. The call mentions 'a statutory audit is required by Union or national law, certifying the accounts for up to the last two available financial years' and we are not aware of it in our country, and we only provide a financial report from our accountant to the national register.

The call document full text reads as follows: for a beneficiary requesting an EU-contribution of \geq EUR 100 000 an audit report produced by an approved external auditor, where it is available, and always in cases where a statutory audit is required by Union or national law, certifying the accounts for up to the last two available financial years. In all other cases, the applicant shall provide a self-declaration signed by its authorised representative certifying the validity of its accounts.

If in your country it is only requested to prepare a financial report from your accountant for the national register, then you should only submit these kinds of documents. The EU Commission validation services will contact you if further information or clarification is needed.

42. Duration of the operating grant – and submission of the proposal

"The operating grant starting date will be fixed in the Grant Agreement. Normally, the starting date will be after the signature of the grant agreement. Retroactive application can be granted exceptionally for duly justified reasons, but never earlier than the proposal submission date."

In addition, the duration of proposals may not exceed the applicant's financial year. An operating grant is linked to the beneficiary's financial year and cannot exceed 12 months.

- If the application for an operating grant is submitted before the beginning of the financial year of the beneficiary, the eligibility period can start at the earliest at the beginning of this financial year;

- If the application is submitted after the beginning of the financial year of the beneficiary, the eligibility period can start not earlier than the date of submission of the application; this implies that the eligibility period under the operating grant will not cover the entire financial year of the beneficiary."

- In case the beneficiary's financial year does not follow a calendar year, the application for an operating grant may be submitted before the beginning of the financial year of the beneficiary. The eligibility period will start at the earliest at the beginning of this financial year and will cover up to 12 months.

43. If the financial year starts in March 2023 or in July 2023, what is the situation regarding the application

In case the applicant's financial year does not follow a calendar year, and the application for an operating grant will be submitted before the beginning of its new financial year, the eligibility period of activities will start at the earliest at the beginning of the affected by the proposal financial year and will cover up to 12 months as far it is not beyond the end of applicant's financial year.

44. If the financial year goes from 1st January to 31st December 2023, that means that the operating grant could not finish later than the 31st December 2023?

Yes, because the duration of the OG cannot exceed the financial year of the applicant.

45. Date of submission of the proposal and retroactivity starting date.

The retroactivity rule to apply is the one specified in the call, which reads: *Retroactive* application can be granted exceptionally for duly justified reasons — but never earlier than the proposal submission date and not before the beginning of the financial year.

The justification for applying a retroactive start of the action must be elaborated by the beneficiary at the stage of the Grant Agreement Preparation, if the proposal is awarded for funding. Therefore, at the level of the proposal submission, there is no documentation to submit for requesting a retroactive start of the action. However, the activities in the proposal and the budget presented at the submission level should reflect the desired duration of the grant.

Important to be noted: Compass only takes whole months for the duration of the action. The starting date will be only the 1st of a month.

46. For the non-retroactivity rule - when should we start including costs - from 31st January 2023?

It will depend on when you submit the proposal in combination with the starting date of your financial year. There is specific clarification in the call document page 7.

47. Can the applicant add a placeholder text as summary in the portal, and change its content later prior the submission date?

Yes, you can save and return at any time to your application to continue working on it.

48. Can the applicant amend the proposal until the official deadline?

Yes, you can modify your application as many times as you wish until the deadline (31st January).

49. If the applicant amends the proposal, which date will be considered as submission date? E.g., The applicant submits the application by 31 December 2022, and makes amendments by 31 January 2023. Does the applicant still entitle to receive funding starting at 1 January 2023?

No this is not possible - the final submission date of the application would need to be 31 December 2022. Amendments in the content affect the date of submission.

As per the call document: Costs incurred as of the beginning of the financial year, from 1st January 2023, can be eligible before the starting date of the grant, for duly justified reasons (it should be reflected in the proposal and requested to HaDEA). The cost eligibility conditions should be fulfilled, and grants applications should be submitted by the 31 December 2022.

50. Within the application template there is a sentence about Milestones as follow: "Please limit the number of milestones by work package". Does the sentence mean 1) that the number of milestones should not exceed the number of work packages', or 2) that the applicant should limit (as in 'not have a too great number of') of milestones per work package? If the latter, could you please put a number on it?

The text about milestones within the template is just a recommendation to the applicant taking into consideration that the duration of an Operating Grant cannot exceed the financial year of the applicant and therefore up to 12 months.

51. If a health NGO is part of several EU action grants, what does the health NGO have to take into consideration when preparing the application and budget for the Operating Grant proposal?

Synergies under EU4Health Regulation: in principle, action grants can be combined with operating grants if beneficiaries are able to demonstrate cost separation through their accounting system. For more information on the combination of operating grants and action grants, please see the relevant provisions in the Annotated Grant Agreement.

52. Indirect costs – combination of operating grants and action grants

Combining EU action and operating grants might be possible ONLY under the following conditions (please refer to the <u>AGA — Annotated Grant Agreement, Art 6.2.E</u>):

Beneficiaries that have parallel EU action and operating grants may claim indirect costs in their action grants **ONLY if they are able to demonstrate cost separation** (i.e. that their operating grants do not cover any costs which are covered by their action grants). To demonstrate cost separation, the following conditions must be fulfilled:

- The operating grant may NOT cover 100% of the beneficiary's annual budget (i.e. it may not be a full operating grant);
- The beneficiary **MUST use analytical accounting**, which allows for a cost accounting management with cost allocation keys and cost accounting codes **AND must apply** these **keys and codes to identify and separate the costs** (i.e. allocate them to either the action grant activities or the operating grant activities). <u>Please specifically refer to</u>

<u>Title II costs of the detailed budget template of the SGA application form for the call</u> EU4H-2022-OG-FPA/SGA;

- The beneficiary **MUST record**:
 - All real costs incurred for the activities that are covered by their operating grants (i.e. personnel, general running costs and other operating costs linked to the work programme of activities) and
 - All real costs incurred for the activities that are covered by the action grant (including the real indirect costs linked to the action)
- The allocation of the costs must be done in a way that leads to a fair, objective and realistic result.

Beneficiaries that cannot fulfil these conditions must either:

- Keep the operating grant, but sign the action grant without indirect costs or request no indirect costs at reporting stage (i.e. lower the pre-filled amount in the indirect cost column of the financial statement), **or**
- Renounce the operating grant, in order to be able to claim indirect costs in the action grant."
 - 53. Is it possible for an NGO acting in eligible countries, registered with a PIC but which headquarter are located in a <u>XXXX</u> non-eligible country / non associated country to the EU4Health programme, apply to receive funding under this call.

"XXXX is not an associated country to the EU4Health programme and is not an "eligible country" under the terms of Regulation 2021/522. Therefore, the EU4Health Programme is not open to the participation of XXX (i.e., entities registered in XXX). In case this NGO has secondary office (e.g., branch, subsidiary or entity with legal capacity) in an eligible country and is fully registered in that eligible country, i.e. this office may sign legal commitments on its own behalf, that entity is in principle, eligible for participation in the call. Note that all the expenditure must be incurred in the eligible countries. The proposed activities must take place in the eligible countries as mentioned by the call text. They cannot take place in XXXX.

54. Can you please explain the grant cashflow? When and in which % are the prepayments and final payments to be processed?

After grant signature, you will normally receive a pre-financing to start working on the proposal (float of normally 50% of the maximum grant amount; exceptionally less or no pre-financing). The pre-financing will be paid 30 days from entry into force/10 days before starting date/financial guarantee (if required) — whichever is the latest. There will be no interim payments. Payment of the balance: At the end of the grant agreement

55. Can an NGO use part of the funds received under OG as their own co-financing for the participation in an action grant proposal?

Cumulative funding is possible as per Article 11 of the EU4Health Regulation. This does not preclude the fulfilment of the general principles applicable to all grants and enshrined in the EU Financial Regulation, and further specified in the EU4Health Programme Regulation (Article 8 and 11), in particular that *the cumulative funding shall not exceed the total*

eligible costs of the action. The support from the different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.

Therefore, in order to use part of the funds received under an Operating Grant as own cofinancing for the participation in an Action Grant proposal, the following requirements need to be met:

1 – The action / activity to receive cumulative funding should be clearly presented in both the Operating Grant and Action Grant.

2 – The cumulative funding from the Operating Grant and Action Grant shall not exceed the total eligible costs of the action.

3 - The beneficiary needs to have accounting records which clearly identify the costs and incomes allocated to the action. Beneficiaries should be able to demonstrate cost separation through their accounting system.

4 – The rules of each Grant Agreement should be fulfilled: The amount received under the Operating Grant to be used as co-financing for the Action Grant or other activities, needs to be incurred within the duration of the Operating Grant (financial year of the beneficiary).

5 - In addition, in reference to indirect costs, the beneficiary can also receive indirect costs in the Action Grant if:

- the operating grant is a partial operating grant (i.e. does not cover 100% of the annual budget) and

- they use analytical accounting, which allows for a cost accounting management with cost allocation keys and cost accounting codes.

For further details on *Indirect costs – combination of operating grants and action grants* please also refer to answer 52.

56. If an NGO registered in an eligible country is also running an action grant, can we include some of the action grant activities for co-funding in the OG proposal?

Cumulative funding within the EU4Health legal base between different forms of funding (operating and action grants) needs to be according to the Article 11 of the EU4Health Regulation and fulfilling the rules of both types of grants. The Article reads as follows:

Article 11 Cumulative funding

1. An action that has received a contribution under the Programme may also receive a contribution from any other Union programme, including Funds under shared management, provided that the contributions do not cover the same costs.

2. The rules of the relevant Union programme shall apply to the corresponding contribution to the action.

3. The cumulative funding shall not exceed the total eligible costs of the action. The support from the different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.

Additionally, take into consideration the reference in the call document about: Receiving an operating grant may however have an impact on the possibility to receive the indirect costs flat-rate in EU action grants (see AGA — Annotated Grant Agreement, Art 6.2.E about the rules to be fulfilled).