

**DECISION authorising the use of lump sums for actions under the Justice Programme
2021-2027**

Having regard to the Treaty on the Functioning of the European Union,

Having regard to the Justice Programme¹, and in particular Article 7 thereof, as well as Recital 27

Having regard to Regulation (EU, Euratom) No 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union², and in particular Articles 125 and 181 thereof,

Whereas:

- (1) The actions financed under the Justice programme are homogenous and standardised and cover recurring activities such as trainings, meetings and IT developments moreover the outputs actions are tangible and quantifiable. Therefore lump sum funding is particularly suited for the actions funded under the Justice Programme.
- (2) The use of lump sum costs will simplify the calculation of reimbursement of these actions costs, significantly decreasing the workload and reducing the administrative burden/costs of both the beneficiaries and the Commission as well as accelerate payment procedures and allow to focus on the outputs and deliverables
- (3) The use of lump sums should therefore be authorised for the listed actions financed under the Justice Programme,

THE FOLLOWING HAS BEEN DECIDED:

Sole Article

The use of the Union contribution in the form of lump sum contributions is authorised for actions under the Justice programme 2021-2027, for the reasons and under the conditions set out in the Annex.

Done at Brussels,

Director General
Ana Gallego

¹ OJ L 156/21, 5.5.2021, p. 21-38.

² Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p.1).

Annex

1. Form of Union contribution and categories of costs covered

The Union contribution for Judicial Training, Judicial Cooperation and Access to Justice actions under the Justice programme (2021-2027) shall exclusively take the form of lump sum contributions for the following categories of eligible costs:

Personnel costs:

- Employees (or equivalent)
- Natural persons working under direct contract
- Seconded persons by a third party against payment
- SME owners and natural person beneficiaries
- Volunteer costs

Subcontracting costs

Purchase costs:

- Travel and subsistence costs
- Equipment (depreciation);
- Other goods, works and services

Other cost categories:

- Financial support to third parties (if any)

The lump sum contribution will be determined for each grant by the granting authority on the basis of the following principles:

- (a) The lump sum contribution must be an approximation of the beneficiaries underlying actual costs;
- (b) The applicants must propose the amount of the lump sum contribution on the basis of their estimated direct and indirect project costs and in accordance with the method described in point 3;
- (c) The proposal must show the costs and categories of costs covered by the lump sum contribution, may contain only costs that would be eligible for an actual costs grant and must exclude costs that are ineligible under the Justice rules.

2. Justification

The use of lump sums will reduce the administrative burden in particular for beneficiaries and reduce the scope for error in the cost claims, will speed up the payment process and ensure an effective risk control, while focusing on the quality of the results.

In particular, the use of lump sums implies a reduction in administrative costs for participation in the Programme and contributes to the prevention and reduction of financial errors (i.e. staff cost calculations...). It also simplifies the calculation of grant amounts while decreasing significantly the workload of both the beneficiaries and the granting authority (i.e. complexity of verification of real costs through underlying supporting documents) thereby ensuring payment procedures are accelerated and allowing DG Justice and Consumers project officers to focus more on the project results.

This system provides legal certainty to beneficiaries and is expected to contribute to better quality applications, as the outputs of individual co-financed projects are tangible, qualifiable, and quantifiable (they include translations, events, festivals, concerts, performances, exhibitions, fairs, publications, mobilities, training events, conferences, video games prototypes, audio-visual works, ...).

Finally, the use of lump sum will facilitate wider access to EU funding because the rules for participation, implementation and reporting will be simpler than the classical budget based mechanism.

2.1. Nature of the supported actions

The Programme has the general objective of contributing to the further development of a European area of justice based on the rule of law including the independence and impartiality of the judiciary, on mutual recognition and mutual trust, and on judicial cooperation thereby also strengthening democracy, the rule of law and the protection of fundamental rights.

The actions financed under the Justice programme are standard, funding covers recurring activities such as trainings, meetings and IT developments and the average value of a grant did not vary significantly over the years. Projects outputs are easily identifiable and priceable. Due to the homogenous nature of the actions funded, using a lump-sum contribution is justified. The costs of the actions can be well-estimated on the basis of the historical data.

This decision will apply to all action grants under the the following specific objectives:

Judicial Cooperation

The actions support projects aiming at facilitating and supporting judicial cooperation in civil and criminal matters, and promoting the rule of law, independence and impartiality of the judiciary, including by supporting the efforts to improve the effectiveness of national justice systems, and the effective enforcement of decisions.

The activities financed consist mainly in meetings, mutual learning, exchange of best practices, trainings, capacity building for professionals, development of information tools, dissemination and awareness-raising, analytical activities, IT software development.

Judicial Training

The actions support projects aiming at contributing to the effective and coherent application of EU law in the areas of civil law, criminal law and fundamental rights, as enshrined in the EU Charter of Fundamental Rights, and the rule of law related issues, by helping to address the training needs of justice professionals in these fields.

The activities financed consist mainly in the organisation of interactive, practice-oriented seminars, multilateral exchanges between justice professionals, cross-border training activities and joint study visits to European courts and in the creation of training material, innovative online trainings and tools or activities for training providers.

Access to Justice” (including e-Justice)

The actions support projects aiming at facilitating effective and non-discriminatory access to justice for all, and effective redress, including by electronic means (e-justice), by promoting efficient civil, and criminal procedures, and by promoting and supporting the rights of all victims of crime, as well as the procedural rights of suspects and accused persons in criminal proceedings.

The activities financed consist mainly in meetings, mutual learning, exchange of best practices, trainings, capacity building for professionals, development of information and educational tools, dissemination and awareness-raising, analytical activities, IT software development and establishment of new IT systems.

Risks of irregularities and fraud and costs of control

The risk of errors and irregularities is lower in relation to the use of real costs because there is no reporting of actual costs. Beneficiaries have no obligation to include the costs incurred for the action with payment requests.

The lump sums are output-based, and therefore the main condition for payment is the achievement of pre-defined outputs. The outputs are proposed by the applicants in their proposals as detailed below point 3. The granting authority will undertake checks at the time of preparation of the grant, during the implementation of the action and at the completion of the actions (through reports from funded projects, checks on milestones and deliverables and/or reviews).

The risk of fraud and the cost of controls of the triggering event, for the lump sum payment, are limited, since the proper implementation of the action is clearly defined and output-based. If the conditions for payment of the lump sum contributions have not been met, (e.g. a particular work package has not been completed or only partially completed), the granting authority will be entitled to reject or partially reject the work package.

Checks and reviews will instead focus on achievement of results and the proper implementation of the action, in particular on the fulfilment of the essential conditions for triggering payment of the lump sum contribution per work package.

3. Method to determine the amount of the lump sum

3.1. Grant proposal

Applicants will provide an estimated budget for the work to be carried out under the action (using the submission form template).

Applicants must provide in their proposals a breakdown of the lump sum showing the share per work package (and, within each work package, the share assigned to each beneficiary);

The proposal must describe the activities covered by each work package;

It may include only costs that would be eligible for an actual costs grant and must exclude costs that are ineligible under the Justice programme.

Indirect costs should be calculated by applying a flat rate of 7% to the direct cost;

The co-financing rate will be applied to the total estimated eligible costs, using the funding rate set out in the call for proposals.

3.2. Evaluation

Proposals will be evaluated according to the standard evaluation procedures with the help of internal and/or external experts. The experts will assess the proposal against the usual award criteria: relevance, quality and impact.

Experts will have the necessary financial know-how and will check the estimated budget and verify whether the resources proposed, and the split of work packages, allow for the achievement of the activities and expected outputs. For each work package, the estimated budget will be assessed for accuracy and suitability of the resources proposed and whether the split of lump sum shares allow for achieving the activities and expected outputs, to be attained in the light of the proposed resources.

The experts will consult statistical, historical or any other appropriate data on costs and resources from previously comparable funded projects provided by the granting authority in order to benchmark the proposed costs, and will check that the correct indirect cost and co-financing rate have been correctly applied.

They might propose to remove some ineligible costs and/or actions from the proposal.

3.3. Determination of the lump sum amount

Following the evaluation, the authorising officer will establish the amount of the lump sums taking into account the findings of the assessment carried out (including the recommendations from the evaluation committee). If costs or activities items need to be adapted, the lump sums and the lump sums breakdown are modified accordingly during grant preparation.

The final lump sum is included in the grant agreement as the maximum grant amount. It is calculated by applying the reimbursement rate set out in the call for proposals to the total estimated eligible costs in the detailed budget table.

4. Sound financial management and co-financing principles and absence of double funding

The methodology described in Section 3 complies with the principles of sound financial management, co-financing and absence of double funding as required by the Financial Regulation.

Sound financial management is ensured because the cost estimate in the grant proposal is detailed and subject to an in-depth check by the evaluation committee to ensure it represents an approximation of actual eligible costs as described in points 3.1 and 3.2.

Co-financing is ensured by applying the reimbursement rates set out in the calls for proposals.

The absence of double funding can be ensured by clearly identifying in the call and in the grant all categories of eligible and ineligible costs and activities covered, and subsequently by checking the overlaps with other grants awarded to the same beneficiary through eGrants.