



EUROPEAN COMMISSION
DIRECTORATE GENERAL
ECONOMIC AND FINANCIAL AFFAIRS
Fiscal policy and policy mix
Euro Protection and euro cash

The 'Pericles 2020' programme

CALL FOR PROPOSALS

Ref. 2017 ECFIN 004/C5

addressed to the Member States' Competent National Authorities¹

The deadlines for submission of the applications for this call for proposals are 1 April and 15 September 2017.

Estimated budget is 350 000 € per deadline (700 000 € in total).

The 'Pericles 2020' programme was adopted by Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme)².

The present document aims to provide specific guidelines for the implementation of the programme in 2017, in terms of further clarifying and prioritising its objectives and providing practical information for applying. The guidelines refer to the following areas:

- objectives of the programme and priorities particularly for 2017;
- target groups and actions eligible for a grant;
- selection criteria and financial provisions;
- procedure for submission of projects and lead-time for project approval.

¹ Referred to in Article 2 (b) of the Council Regulation (EC) No 1338/2001 published in the OJ L 181, 04.07.2001, p. 6.

² The application of Regulation (EU) No 331/2014 was extended to the non-participating Member States by Council Regulation (EU) 2015/768 of 11 May 2015 extending to the non-participating Member States the application of Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme).

1. Objectives and priorities of the 'Pericles 2020' programme

Counterfeiting continues to be a major threat for the euro. According to the latest bi-annual information on euro banknotes prepared by the ECB³, 353 000 counterfeit euro banknotes were withdrawn from circulation in the second half of 2016, a slight increase compared with the first half of 2016 and 20.7% fewer than in the second half of 2015. In 2016 the number of counterfeit euro coins detected has exceeded 200 000 pieces per year, with 207 795 pieces found⁴. The total value of counterfeit coins detected in 2016 was EUR 306 007, an increase from 2015, which was EUR 237 305.

According to the latest Europol Serious Organised Crime Threat Assessment⁵, in 2014 there was an increased production of counterfeit €20 and €50 banknotes by Italian organised crime groups based in Naples, Italy.

The general objective of the 'Pericles 2020' programme (the Programme) is to prevent and combat counterfeiting and related fraud, thus enhancing the competitiveness of the Union's economy and securing the sustainability of public finances. As the successor of the 'Pericles' programme⁶, this Programme continues the exchange, assistance and training programme for the protection of the euro against counterfeiting from 1 January 2014 to 31 December 2020. The Programme runs for a period of seven years to align its duration with that of the multiannual financial framework laid down in Council Regulation (EU, Euratom) No 1311/2013⁷.

The specific objective of the Programme is to protect euro banknotes and coins against counterfeiting and related fraud, by supporting and supplementing the measures undertaken by the Member States and assisting the competent national and Union authorities in their efforts to develop among themselves, together with the Commission, a close and regular cooperation and an exchange of best practice, including third countries and international organisations when appropriate. Under this Programme, proposals presented by Member States may include participation from third countries, when their participation is important for the protection of the euro.

As stated in the Annual Work Programme which is annexed to the Commission Decision C(2016) 8778 final concerning the adoption of the work programme for 2017 of the Pericles 2020 Programme, the priorities to implement the actions of the Programme for 2017 are the following⁸:

1. supporting activities aimed at improving cooperation among those Member States which are particularly affected by the production or distribution of counterfeits;

³ ECB press release of 27th January 2017.

⁴ data available on CMS at 20/1/17.

⁵ 2015 Interim SOCTA.

⁶ 2001/923/ EC, OJ L 339, 21.12.2001, pp. 50-54.

⁷ Council Regulation (EU, Euratom) No 1311/2013 of December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p.884).

⁸ The priorities of the Programme for 2017 are laid out in the Annual Work Programme, which is annexed to Commission Decision C(2016) 8778 final concerning the adoption of the work programme for 2017 of the Pericles 2020 Programme.

2. fostering cooperation with authorities of those third countries where there is suspicion of or evidence for counterfeit euro production⁹;
3. maintaining an efficient framework for the protection of the euro in South Eastern Europe;
4. new developments: technical developments within the coin processing machines, the distribution of counterfeits and high quality components on the internet and the increasing interest in euro counterfeiting of criminals located in Third Countries.

The programme will be implemented by the following actions¹⁰:

- a) **Exchange and dissemination of information, in particular through organising workshops, meetings and seminars, including training, targeted placements and exchanges of staff of competent national authorities and other similar actions. The exchange of information shall inter alia be targeted at:**
 - methodologies for monitoring and analysing the economic and financial impact of counterfeiting;
 - operation of databases and early warning systems;
 - use of detection tools with computer back-up;
 - enquiry and investigation methods;
 - scientific assistance, in particular scientific databases and technology watch/monitoring of new developments;
 - protection of the euro outside the Union;
 - research actions;
 - provision of specific operational expertise.
- b) **Technical, scientific and operational assistance, as appears necessary as part of the Programme, including in particular:**
 - any appropriate measure which establishes teaching resources at Union level, such as a handbook of Union legislation, information bulletins, practical manuals, glossaries and lexicons, databases, especially in the area of scientific assistance or technology watch or computer support applications, such as software.
 - relevant studies with a multidisciplinary and transnational dimension.
 - development of technical support instruments and methods to facilitate detection actions at Union level.

⁹ E.g.: this could include the purchase of equipment to be used by specialised anti-counterfeiting authorities.

¹⁰ Art. 8 Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme)

- financial support for cooperation in operations involving at least two States when such support is not available from other programmes of European institutions and bodies.
- c) **Grants to finance the purchase of equipment to be used by specialised anti-counterfeiting authorities of third countries for protecting the euro against counterfeiting, whereby the purchase of equipment shall not be the sole component of the grant agreement.**

2. Target groups

The measures shall target the following groups¹¹:

- Staff of agencies engaged in detecting and combating counterfeiting, in particular police forces and financial administrations, depending on their specific functions at national level;
- Customs;
- Intelligence personnel;
- Representatives of the national central banks, the mints, commercial banks and other other financial intermediaries, in particular as regards the obligations of financial institutions;
- Judicial officers, specialist lawyers and members of the judiciary in this field;
- Any other group of specialists concerned, such as chambers of commerce and industry or comparable structures capable of providing access to small and medium-sized enterprises, retailers and cash-in-transit companies.

Participation in the Programme is open to candidate countries and third countries.¹²

3. Eligibility, exclusion, selection and award criteria

All requests for financing must be submitted to the Commission under the conditions specified in the basic act¹³ and in accordance with the calls for proposals. The Commission selects the projects submitted by the Member States on the basis of the following criteria:

a. Eligibility criteria

- Bodies eligible for funding under the Programme shall be the Competent National Authorities as defined in point (b) of Article 2 of regulation (EC) No 1338/2001¹⁴.

¹¹ Art. 7 Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme)

¹² Art. 6 Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme)

¹³ Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme)

¹⁴ Art. 5 Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme)

- To be eligible for co-financing, measures must demonstrate the transnational and multidisciplinary aspects of the fight against counterfeiting.

Supporting documents:

- *Applicants and their affiliated entities must provide proof of their legal entity by filling in the standard legal entity form.*

b. Exclusion criteria

b.1 Exclusion from participation

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

SITUATION OF EXCLUSION CONCERNING THE APPLICANT

- a) it is bankrupt, subject to insolvency or winding up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended or it is in any analogous situation arising from a similar procedure provided for under national legislation or regulations;
- b) it has been established by a final judgement or a final administrative decision that the applicant is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the authorising officer is located or those of the country of the performance of the contract;
- c) it has been established by a final judgement or a final administrative decision that the applicant is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:
 - (i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract, a grant agreement or a grant decision;
 - (ii) entering into agreement with other persons with the aim of distorting competition;
 - (iii) violating intellectual property rights;
 - (iv) attempting to influence the decision-making process of the [Commission] [Agency] during the award procedure;
 - (v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;
- d) it has been established by a final judgement that the applicant is guilty of any of the following:
 - (i) fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July

1995;

(ii) corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of EU Member States, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the legal provisions of the country where the authorising officer is located, the country in which the applicant is established or the country of the performance of the contract;

(iii) participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA;

(iv) money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council;

(v) terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;

(vi) child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;

e) it has shown significant deficiencies in complying with the main obligations in the performance of a contract, a grant agreement or a grant decision financed by the Union's budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an Authorising Officer, OLAF or the Court of Auditors;

f) it has been established by a final judgment or final administrative decision that the applicant has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95;

g) for the situations of grave professional misconduct, fraud, corruption, other criminal offences, significant deficiencies in the performance of the contract or irregularity, the applicant is subject to:

(i) facts established in the context of audits or investigations carried out by the Court of Auditors, OLAF or internal audit, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;

(ii) non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;

(iii) decisions of the ECB, the EIB, the European Investment Fund or international organisations;

(iv) decisions of the Commission relating to the infringement of the Union's competition rules or of a national competent authority relating to the infringement of Union or national competition law;

(v) decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

b.2 Rejection from the procedure

The contracting authority shall not award a grant to an applicant who:

- (a) is in an exclusion situation as referred to in section b.1;
- (b) has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information;
- (c) was previously involved in the preparation of procurement documents where this entails a distortion of competition that cannot be remedied otherwise.

The same exclusion criteria apply to affiliated entities.

Administrative and financial penalties may be imposed on applicants, or affiliated entities where applicable, who are guilty of misrepresentation.

Supporting documents:

- *Applicants and their affiliated entities must all sign a declaration on their honour certifying that they are not in one of the situations listed under sections b.1 and b.2, by filling in the standard declaration.*
- *However, when the requested total grant amount in the proposal does not exceed 60 000 EUR (hereafter referred to as 'low value grant ≤ 60 000 EUR'), the requested declaration on honour for the exclusion criteria will not be required.*

c. Selection criteria

- In accordance with Article 132 of the Financial Regulation and Article 202 of the Rules of Application, applicants shall be assessed on their *operational capacity* and must therefore describe their operational resources (technical, management) and the professional skills and qualifications needed to successfully implement the proposed action.
- The applicant shall also demonstrate that it has the *financial capacity* enabling it to perform the tasks involved in the project. The financial capacity requirement does not apply to public bodies.

Supporting documents to be provided by applicants other than public bodies:

For applicants with a grant > 60 000 EUR:

- *The standard table containing a 'simplified presentation of the balance sheet and profit and loss account' for the two last financial years for which accounts have been closed. When requested, the applicant shall also provide further information;*
- *A declaration on honour as provided for in the application form.*

For a low value grant ≤ 60 000 EUR:

- *A declaration on honour as provided for in the application form will be sufficient.*

d. Award criteria

Applications submitted by applicants that fulfil the eligibility, exclusion and selection criteria indicated above will be assessed on the basis of the award criteria mentioned below:

- compliance with the Programme's objectives and specific target groups as defined above - *30 points*;
- complementarity with previous, current or future projects carried out or planned at national or European level in the field of combating currency counterfeiting - *15 points*;
- European dimension, including in particular aspects that relate to cooperation with the ECB and Europol – *15 points*;
- the intrinsic quality of the project in terms of its conception, organisation, presentation and objectives – *15 points*;
- cost-effectiveness ratio¹⁵ - *15 points*;
- the impact of the anticipated results on the attainment of the Programme's objectives – *10 points*;

4. Financial provisions

The total reference appropriation for implementing the Programme for the period from 1 January 2014 to 31 December 2020 is EUR 7 344 000¹⁶.

The maximum contribution for the implementation of the Programme for the year 2017 is set at EUR 1 047 500, and shall be financed from the following line of the general budget of the European Union for 2016, budget line 01 02 04¹⁷.

The indicative overall budgetary allocation reserved for grants in 2017 amounts to € 700 000.

The Commission financial contribution takes the form of a grant agreement under Article 121 of the Financial Regulation of the European Union¹⁸. The maximum rate of co-financing by the Commission is 75% of the total eligible costs incurred for the action. In

¹⁵ With regard to conferences/seminars, workshops, technical trainings and staff exchanges, this is based on the following calculation: total cost of the action / number of implementation days as stated in the agenda / total number of participants (including organisers, trainers and presenters). A day of implementation is considered to be a day during which the agenda points of the action are implemented, with the exception of social events such as welcome/farewell dinners.

¹⁶ Art. 9 Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme)

¹⁷ Article 2 Commission Decision C(2016) 7887 final concerning the adoption of the work programme for 2017 of the Pericles 2020 Programme.

¹⁸ Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council as amended

exceptional and duly justified cases, the co-financing rate shall not exceed 90% of the eligible costs¹⁹.

Such duly justified cases include in particular:

- Conferences, seminars and workshops taking place in third countries identified in priority action point b. of the Pericles 2020 Strategy²⁰.
- Actions addressing the priority action point d. of the Pericles 2020 Strategy.
- Actions introduced by competent national authorities that did not apply for Pericles funding in the calendar years 2014, 2015 and 2016.

Relevant costs are eligible in conformity with the Financial Regulation of the European Union and its rules of application²¹. Further information on eligible costs can be found in the Pericles 2020 Financial Guidelines for Applicants and the model grant agreement.

5. Procedures for applying and deadlines

a. Standard forms to use and documentation

The standard forms referred to in the present Call for Proposals, as well as the Pericles 2020 financial guidelines for applicants and model of grant agreement can be consulted and/or downloaded from the following link:

https://ec.europa.eu/info/economic-and-financial-affair-funding-and-grants_en at Directorate General Economic and Financial Affairs' dedicated website to calls for proposals. Then, please further select the relevant call under reference '2017 ECFIN 004/C5'.

b. Submission of applications

One original and one copy of the grant application form and of all requisite documents MUST be sent BY POST (preferably by means of REGISTERED MAIL) (date of postmark serving as evidence of date of sending) or BY COURIER SERVICES (date of deposit slip serving as evidence of date of sending) to the following address within the set deadlines stipulated in point c. below:

BY POST OR COURIER SERVICES (ONE ORIGINAL, ONE COPY)	Call 2017 ECFIN 004/C5 PERICLES to the attention of Mr Henrik KERSTING Head of Unit ECFIN R2 - Finance Directorate General for Economic and Financial Affairs
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¹⁹ Art. 10 (4) Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme)

²⁰ The priorities of the Programme for 2017 are laid out in the Annual Work Programme and its appendix the update of the Pericles strategy, which is annexed to Commission Decision C(2016) 7887 final concerning the adoption of the work programme for 2017 of the Pericles 2020 Programme.

²¹ 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 on the financial rules applicable to the general budget of the Union as amended

	Office CHAR, 13/056 B-1040 Brussels Belgium
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OR DELIVERED BY HAND, in person or by an authorised representative (date of acknowledgement of receipt by the Commission serving as evidence of date of sending) to the following address:

BY HAND (ONE ORIGINAL, ONE COPY)	<p>Main entrance of the building of the European Commission's Central Mail Department Avenue du Bourget 1 - B-1140 Brussels (Evere) This service is open from 8h to 17h from Monday to Thursday and from 8h to 16h on Friday; it is closed on Saturday, Sunday and Commission Holidays.</p> <p>With the following message:</p> <p>Call 2017 ECFIN 004/C5 PERICLES to the attention of Mr Henrik KERSTING Head of Unit ECFIN R2 - Finance Directorate General for Economic and Financial Affairs Office CHAR, 13/056 B-1040 Brussels Belgium</p>
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The grant application form, the 'estimated budget' and all requisite documents **MUST ALSO** be sent by **ELECTRONIC MAIL** to the following address.

BY EMAIL	ECFIN-PERICLES@ec.europa.eu
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For applications to be admissible they must be submitted using the official application form in one of the European Union languages. A version of the summary of the project and its expected results in English or French, non-compulsory, will facilitate examination of the file.

The **signed** application form must be submitted in original and copy format. Alterations to the form will disqualify the application. In order to be valid, the application has to include the following documents:

- the grant application form, duly completed, dated, signed and containing a detailed description of the project (including agenda) and accompanied by the required documents where applicable;
- the estimated budget in euro, indicating estimated itemised costs

c. Timetable for submission and evaluation of applications, and awarding phase

The **deadlines** for submission of the applications for this call for proposal are **1 April 2017** (estimated budget is 350 000 €) and **15 September 2017** (estimated budget is 350 000 €).

Applications presented by 1 April 2017 must refer to projects to be implemented after **1 September 2017**.

Applications presented by 15 September 2017 must refer to projects to be implemented after **1 January 2018**.

A specific evaluation committee will analyse and evaluate the projects received. Subject to availability of appropriations, the evaluation committee will hold two evaluation sessions in order to examine the applications sent by the deadlines indicated in the call for proposals. In the event that the proposals received are not sufficient in number or in quality to allow for the allocation of all of the budgeted sums, a second call for proposals will be launched in early fourth quarter with a budget corresponding to the residual funding compared to the amount of EUR 700 000 available for grants and the evaluation committee will hold a third evaluation session.

During each session, the evaluation committee will analyse the valid and complete project proposals officially postmarked or received (in case of delivery by hand) **before 5 p.m. (Monday-Thursday) and 4 p.m. Friday (Brussels time)** of:

- **1 April 2017** (estimated budget of 350 000 €);
- **15 September 2017** (estimated budget of 350 000 €);

Please find herewith an **indicative schedule** :

Publication of the call	February 2017	February 2017
Deadline for submitting applications	1 April 2017	15 September 2017
Evaluation period	April/May 2017	September/October 2017
Information to applicants	May/June 2017	October/November 2017
Signature of grant agreements	June/July 2017	December 2017
Starting date of the action	After 1 September 2017	After 1 January 2018

An evaluation will be made and it is expected that a final decision will be taken on each of the proposals received during the fifteen working days after the above deadlines.

The maximum delay for applicants to be informed on the outcome of the evaluation is six months from the submission deadline, plus an additional three months for the signature of the grant agreements²².

²² Art. 128 (2) of Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council as amended

The final approval of successful projects will be communicated to the successful applicants by official letter, together with a grant agreement to be signed and to be returned to the Commission.

The other applicants will be informed at the latest within fifteen calendar days after the award decision has been sent to the successful applicants.

A period of roughly 5 weeks may be necessary from the approval of the grant application until the final signature of the grant by the Commission.

The signature of the grant agreement by both parties will allow the Commission to make available a pre-financing of 50% of the approved grant within 30 calendar days from the date of the Commission's final signature.

Upon request from the applicant, the Commission can decide to increase this pre-financing payment to a maximum of 70% of the approved grant, when at least one of the following conditions applies:

- the majority of the action is implemented in a Third Country and the final payment of suppliers cannot be postponed;
- the applicant does not have its own specific budget available to advance payments;
- the effective implementation of the action is at risk without an increased advanced payment.

The remaining part of that grant will be paid upon reception and approval of the final documents supporting the expenditure incurred as specified in the Special Conditions of the grant agreement.

6. Follow-up and evaluation

In compliance with the signed grant agreement and at the latest within three months following the completion of the action, the grant beneficiaries shall submit to the Commission:

- a final financial statement together with justifying documents for all real expenses and proofs of payments;
- a final technical report together with all attachments required.

The final financial statement (in excel) and the final technical report (in word) shall be submitted in the required standard forms and also be sent electronically to the email-address specified in the grant agreement.

The Commission may request the beneficiary additional information on the implementation of the project²³.

Upon completion of the projects, the Commission will evaluate their implementation and impact, assessing the achievement of the initial objectives.

²³ See for instance Art. 12 (3) of Regulation (EU) No 331/2014 of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme).

7. Means of redress

At all stages of the administrative handling of grant files, whenever persons or bodies involved consider that they are the victim of maladministration, they may, independently of any other avenue of appeal, submit a complaint to the European Ombudsman (<http://www.ombudsman.europa.eu>).

8. Annexes

- Standard Grant application form
- Standard form Simplified presentation balance sheet and profit & loss account
- Standard form Estimated budget for the action
- Standard Declaration of honour on exclusion criteria and absence of conflict of interest
- Model grant agreement and its annexes
- Pericles 2020 Financial guidelines for applicants

The aforementioned forms and documents are available from:

https://ec.europa.eu/info/economic-and-financial-affair-funding-and-grants_en

- Standard legal entity form
http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm
- Standard financial identification form
http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm