

## **GENERAL CONDITIONS FOR PLANNING GRANTS WITHIN THE DEMO ENVIRONMENT PROGRAMME 2015-2019**

### **1. General**

#### **1.1 Scope**

These conditions set forth the terms for projects that have been awarded a Grant for Planning Grant within the Demo Environment Programme 2015-2019. Tillväxtverket's decision on approved grant, including these general conditions and other appendices, and any decision(s) on changes (if any), are hereinafter jointly referred to as the "Decision". In order for payments to be disbursed the Grant Recipient has to abide by the General Conditions and the other provisions of the Decision.

#### **1.2 Definitions**

Decision – as defined in 1.1.

Grant – as defined in the Decision.

Grant Recipient – the entity identified in the Decision.

#### **1.3 Approved Grant**

Tillväxtverket has approved a Grant to the Grant Recipient up to the amount stated in the Decision.

The Grant shall contribute to the Grant Recipient's costs for implementing the activities as stated in the application including any appendices. The grant amount is preliminary until the project is finalized and the narrative and financial reports have been submitted to and approved by Tillväxtverket and until the requirements of 2.2 are fulfilled.

The share of project costs not covered by Tillväxtverket shall be funded by the Grant Recipient through own funds or funds from other sources. Any costs over and above the approved budget that may arise in the implementation of the project shall be borne by the Grant Recipient.

The Demo Environment programme is funded by Sida (the Swedish International Development Cooperation Agency) and the Decision is therefore conditioned upon that Tillväxtverket is granted funds from Sida. The Decision is also conditioned upon that the Grant Recipient commences the project within (3) three months after the Decision.

#### **1.4 Cost efficiency**

The project shall be implemented in a cost efficient manner and payment will be made upon documentation showing satisfactory management and use of the Grant.

#### **1.5 Special conditions**

In addition to these General Conditions, there may also be Special Conditions. If so, these are stated in the Decision.

#### **1.6 Separate project accounting**

The Grant Recipient shall keep separate project accounting so that the total costs and income of the project are clear and easily shown, either through separate book-keeping for the project or by using a separate project/cost code for the project costs and income. Internationally accepted accounting principles shall be followed. Project costs should thus be easily and clearly reconciled with the project accounting in the book-keeping.

#### **1.7 Project period**

The project period is the period in which the project is implemented, from start-up to finalisation. The dates of the project period are indicated in the Decision. Only costs that have been incurred within the project period are eligible for the Grant. The final report shall be submitted not later than one (1) month after the end of the project period as stated above.

#### **1.8 The Decision on Approved Grant**

Tillväxtverket's Decision consists of the documents referred to in 1.1.

#### **1.9 Procurement**

When procuring, the Grant Recipient shall comply with applicable national law regarding procurement and with the fundamental principles of non-discrimination, equal treatment, transparency, proportionality and mutual recognition. This shall be certified in writing. Tillväxtverket, Sida and the Swedish National Audit Office have the right to audit any procurement undertaken.

## 2. Payment

### 2.1 Request for payment

The Grant only covers costs that are approved and eligible for reimbursement. A requisition (request for payment) shall be submitted to Tillväxtverket through the online platform “Min Ansökan”. The requisition shall be signed by the Grant Recipient’s authorised signatory as well as a registered auditor, authorised public accountant or equivalent stating that the Grant Recipient has paid the costs. Any requisition shall be submitted together with a narrative report.

The approved Grant will be paid at the end of the project period. The requisition shall be submitted within one (1) month of the end of the project period together with final narrative and financial reports. The payment will be made once the requisition has been approved by Tillväxtverket.

### 2.2 Payment

The Grant is paid retrospectively in one tranche and the Grant Recipient must show that the approved costs stated in the requisition have been paid. The Grant Recipient shall, upon Tillväxtverket’s request, provide additional information necessary for the assessment of the requisition.

Upon the Grant Recipient’s application, Tillväxtverket may, at its own discretion, decide to approve to split the payment into two tranches. The first one can be 50% of the approved Grant and both will be paid retrospectively. The Grant Recipient may apply for such partial payment when it has signed the Decision.

The total amount of the Grant is preliminary until all project costs have been accounted for, the narrative and financial reports (see 5.2 and 5.3) have been submitted to and approved by Tillväxtverket.

## 3. Approved costs

### 3.1 General

#### 3.1.1 *Approved and eligible costs*

Expenditures are approved and eligible if they:

1. have been incurred and are necessary for the project implementation, i.e. they are project-specific;
2. have been incurred during the project period as stated in the Decision;
3. have been accounted for according to internationally accepted accounting principles;
4. have been paid;
5. can be proved by the Grant Recipient in the form of invoices, bank statements or other supporting documents;
6. comply with the rules on associated entities and related parties in 3.1.2; and
7. comply with the rules in 1.9,

#### 3.1.2 *Rules on associated entities and related parties*

In view of the importance of cost efficiency, the Grant Recipient is not allowed to use a supplier that is an associated entity or related party without the written consent of Tillväxtverket. A related party include, but is not limited to, the Grant Recipient’s representative’s spouse, children, parents, siblings or other family members, a supplier represented by any such family member, or a supplier where any such family member is employed or has ownership. A related party can also be a party with which the Grant Recipient’s has a common economic interest or other significant influence. An associated entity is a supplier which shares a common economic interest with the buyer due to e.g. ownership. As regards procurement, please also refer to 1.9.

### 3.2 Direct costs

Direct costs are project-specific and have been included and approved in the project budget. The direct costs should be separated into the following items:

1. Travel costs
2. Costs for external services
3. Other costs according to and specified in the approved budget
4. Cost for auditing and accounting

#### 3.2.1 *Travel costs*

Travel costs refer to project-specific costs in relation to travel and accommodation. Approved travel costs may include:

- \* travel in economy class or equivalent;
- \* accommodation equivalent to mid-range hotel;

- \* increased living expenses equivalent to a per diem for the country in question in accordance with the regulations of the Swedish Tax Authority (see Tillväxtverket's website for a list of countries and amounts for current year);
- \* shorter trips by taxi or car hire

Any exception to the above mentioned travel costs must be specifically justified and approved by Tillväxtverket.

### **3.2.2 Costs for external services**

External services refer to services from a separate legal or physical person, who is not employed by the Grant Recipient. The invoice or other specification shall clearly state when the service was delivered, who delivered the service, the amount of time spent, the cost per unit of time and a description of the service.

### **3.2.3 Other costs**

Other costs are eligible if they are specified and approved in the budget. Other costs are project-specific, but cannot be directly referred to any other cost category. Examples are costs for information and dissemination of the project and the used technology (though not regular marketing), communication and office supplies.

### **3.2.4 Costs for auditing and accounting**

Cost for auditing and accounting refers to costs as stated in 5.5.

## **3.3 Costs that are not approved or grant-eligible**

The following types of costs are not approved or grant-eligible:

1. General costs for salary and wages for staff;
2. Costs for direct input material intended for continuous production of good and services;
3. Costs for direct investments in inventories, real estate or land intended for use in continuous production of goods and services;
4. Costs that are incurred before the grant decision has been signed;
5. Costs for overheads;
6. Fees for financial transactions, foreign exchange fees, interest payments and other financial costs;
7. Costs for representation;
8. Duties, taxes and fees;
9. Indirect costs.

## **4. Income**

The Grant will be decreased by income generated by the project. Such income should be accounted for on a regular basis by the Grant Recipient. Income is revenue from sale, leasing, services, registration fees and other such revenue generated by the project.

## **5. Monitoring and reporting**

### **5.1 Progress reports**

The Grant Recipient shall submit progress reports to Tillväxtverket on the dates stated in the Decision at the latest, using the form made available by Tillväxtverket on its website, or subject to Tillväxtverket's approval, other documents containing the equivalent information. The report must include comments on any deviation from the planned activities in the application and the approved budget, as well as descriptions of the measures taken due to the delay or deviation.

### **5.2 Final narrative report**

The Grant Recipient shall submit a final narrative report to Tillväxtverket on the implementation and result of the project within one (1) month of the end of the project period, using the form made available by Tillväxtverket on its website, or subject to Tillväxtverket's approval, other document containing the equivalent information.

### **5.3 Financial report**

A financial report shall be attached to the final narrative report, supporting the accuracy of the information on total project costs and income. The supporting documentation shall be in the form of an income and expenditure statement, extract from the general ledger for the project, and copies of all invoices. For costs for external services, cv and contract with the service provider shall be submitted. The relevant budget post for each item shall be specified.

The financial report shall be made using Tillväxtverket's template. The report shall be audited by a registered auditor, authorised public accountant or equivalent. An audit certificate stating the accuracy of the financial report shall in accordance with 5.5 be attached to the report.

### **5.4 Notification on changes**

The Grant Recipient must report the following changes to Tillväxtverket as soon as possible (also see 6.1):

1. ownership;
2. name, address or e-mail;
3. bank account number;
4. authorised signatory;
5. deviation from the approved budget, work plan or requisition schedule;
6. other changes that affect the implementation of the project;
7. the application for and granting of other public funding.

In addition, any considerable changes according to 6.1 must be approved and decided on by Tillväxtverket.

### **5.5 Audit**

The Grant Recipient shall hire a registered auditor, authorised public accountant or equivalent to audit the project costs. The auditor shall issue an audit certificate, stating the accuracy of the financial report including the requisition for payment and its supporting documents as set out in 5.3. The audit certificate shall be made in accordance with internationally recognized audit standards issued by IAAS. The certificate shall include the name, title and authorisation of the auditor.

Tillväxtverket or its representative has the right to monitor and audit the project on site, and to be given access to documentation that can provide information on the activities and financial performance of the project.

Tillväxtverket always has the right to, upon request, receive additional information that is necessary for assessing whether a cost is grant-eligible or not.

Sida and the Swedish National Audit Office have the corresponding rights.

### **5.6 Monitoring and Evaluation**

The Grant Recipient is obliged to submit information relevant for monitoring and evaluation of the project, such as interviews, surveys and other written or oral information, to Tillväxtverket.

Sida and Swedish National Audit Office have the corresponding rights.

### **5.7 Anti-corruption**

The Grant Recipient shall actively work to prevent corruption and take immediate action in case of corruption. In case of suspected corruption, the Grant Recipient shall immediately report this to Tillväxtverket. In case of suspected corruption, Tillväxtverket has the right to cancel the Decision in part or fully.

## **6. Change or cancellation of the Decision**

The Grant Recipient must inform Tillväxtverket as soon as possible if the project is delayed or discontinued.

### **6.1 Change to the Decision**

The Grant Recipient must inform and obtain advance approval and a new decision from Tillväxtverket in the case of:

1. significant change in the project period;
2. significant change in the focus or direction of the project as compared with the Decision;
3. significant change in the project budget;
4. significant change regarding funding, including co-financing;
5. change of Grant Recipient or project management;
6. delayed reporting;
7. any other significant change.

### **6.2 Cancellation of the Decision**

Tillväxtverket has the right to cancel the Decision in part or fully with three (3) months' notice if:

1. the Decision has been taken based on incorrect, incomplete or misleading information from the Grant Recipient;
2. the project is not implemented in accordance with the Decision;
3. the Grant Recipient has not fulfilled obligations in accordance with the Decision;
4. the conditions for the funding have been changed;
5. the Grant Recipient does not fulfil the financial obligations towards employees, suppliers or the government;
6. the Grant Recipient wishes to discontinue the implementation of the project;
7. Tillväxtverket has reclaimed the Grant pursuant to 6.3;
8. the preconditions for funding of the Demo Environment programme are changed by Tillväxtverket or Sida;
9. in case of suspected corruption.

### **6.3 Grant reclaim**

Tillväxtverket has the right, within ten (10) years from the final disbursement, to reclaim the disbursed Grant, including interest, according to applicable Swedish regulations on interest, if:

1. the Grant has been awarded or disbursed based on incorrect, incomplete or misleading information from the Grant Recipient;
2. the Grant Recipient has not fulfilled obligations in accordance with the Decision;
3. the Grant Recipient receives funding for grant-eligible costs other than that stated in the application and in the Decision;

Tillväxtverket also has the right to reclaim the Grant if it has been incorrectly disbursed or the grant amount disbursed was too high and/or in case of suspected corruption.

In addition, the Government of Sweden has the right to cancel or change its decision and to reclaim disbursed funds if the European Commission, through a decision that has entered into force, or the Court of Justice of the European Union has found that the Grant contravenes article 107 of the Treaty on the Functioning of the European Union. In such a case, the decision to cancel or change Tillväxtverket's Decision will be made by the Government of Sweden. Such a decision will determine the conditions for repayment of the Grant for each individual case.

### **7. Communication**

The Grant Recipient shall in its external communication mention that the project is co-financed by Sweden. The logotype of Sweden shall be exposed as available on Tillväxtverket's website [www.tillvaxtverket.se](http://www.tillvaxtverket.se). External communication encompasses information on a website, advertisements, event invitations, brochures and other types of marketing material, printed or electronic.

### **8. Notifications**

All written notifications and communication between Tillväxtverket and the Grant Recipient are considered to have reached the recipient as follows:

1. delivered personally or by courier, on the same day;
2. sent by e-mail, when a confirmation of receipt has been sent by the recipient, or on the following working day;
3. sent by fax (provided there is a receipt that the fax has been received), on the same day;
4. sent by letter, five (5) days (within Sweden) or fifteen (15) days (outside Sweden) after the letter was posted.

### **9. Applicable law**

Any disputes between Tillväxtverket and the Grant Recipient shall be governed by Swedish law, with the exception of its conflict-of-law rules.

### **10. Miscellaneous**

Tillväxtverket is neither the employer nor contractor for staff of the Grant Recipient. Thus Tillväxtverket does not deduct any taxes, social security fees etc. from the Grant.

Tillväxtverket has the right to disseminate all information about the Grant Recipient and project, for instance its organisation including the project manager's contact details, the implementation and results, unless this information is confidential according to Swedish law.