Creative Europe – MEDIA DEVELOPMENT
Support for the development of European Video Games 2018
USERS’ GUIDE

The current document provides a resume of the principal contractual stages relating to the Grant Decision signed by the Education, Audiovisual & Culture Executive Agency following your response to the Calls for Proposals EACEA/24/2017. This document is strictly informative and is of no legal value whatsoever.

Be reminded that you must read carefully your Grant Decision and the General Conditions. Note that useful information for beneficiaries is published under the beneficiary space of this specific call.

The eligibility criteria of the Call for Proposals must be respected throughout the lifecycle of the support. This includes the rights to the project, the European nature of the beneficiary company, eligibility of the action i.e. the narrative storytelling nature of the project, the 8 months rule regarding the entry into production of the work. For full details, please read the Call Guidelines.

1. Payment of the grant

The Agency has allocated to your project a global MEDIA contribution of between 10,000€ and 150,000€, which does not exceed 50% of the eligible costs of the project.

1.1 Identification of the project

The details relating to the submitted and accepted project are contained in Annex I of the Grant Decision. The MEDIA grant must be used only for this project.

1.2 Payment of the grant

The MEDIA grant will usually be paid in two instalments:

1. A pre-financing payment corresponding to 70% of the grant amount will be transferred to the beneficiary within 30 days either of the date when the last of the two parties signs the agreement, or of the notification of the grant decision, provided all requested guarantees have been received. This payment is automatic and no action is necessary by the beneficiary.
In case no pre-financing was made and if specified in the Grant Decision, an interim payment shall be paid to the beneficiary. Interim payment is intended to cover the beneficiary’s expenditure on the basis of the receipt of an interim technical report, financial statement and an Independent report of Factual Findings on the Final Financial Report – Type I in accordance with General Condition n° 23.2. a) and b). The interim payment shall not exceed 50% of the maximum MEDIA grant.

2. A final payment (balance) equivalent to a maximum of 30% (or 50% in the case an interim payment was made) of the MEDIA grant is paid following the acceptance of a Final Report. If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the Agency through a recovery order.

2. Duration of the Action

The action and the eligibility period run from the date indicated in article 2.2 of the Grant Decision until 36 months. If a project enters into production before 36 months, the action for that project ends on the date of entry into production.

If for an exceptional reason, duly justified, you require an extension to the period the beneficiary must formally submit a written and signed request for an extension (six months maximum) to the Agency no later than one month before the end of the Action.

3. Final report

The final payment can only be made after the submission and acceptance of the Final Report. This report must be submitted no later than 2 months after the end of the eligibility period.

3.1 Content of the final report

The Final Report must be submitted as an eReport from which is accessible from the Funding & tender opportunities portal.

We strongly recommend you to read carefully the user guide "how to complete and submit a project report using eReports", published under the beneficiary space under this specific call.

It is recommended to frequently save the information indicated, even if there is an automatic backup.

The following information cannot be changed:

- General information
- Contractual Data

In the technical report part, you are asked to provide the following elements:
- A description of the project status (overview; current status of the project; development work undertaken);
- A list of outputs (including supporting documents/material to be attached as well), which must display the EU flag and to acknowledge the support received under the Creative
Europe MEDIA programme. You can download the logo from our website: https://eacea.ec.europa.eu/about-eacea/visual-identity_en;
- A description of the impact of the MEDIA support on the creative development, production/financing/research and marketing of the project.

In addition, the final report includes a financial statement/final financial report including project expenditures and sources of finance, and a final payment request.

In addition, there are questions relating to the key performance indicators of the Creative Europe programme MEDIA:
- Number of full-time equivalent staff working on the project
- Number of new full-time equivalent staff working on the project
- Please describe what could be outlined as a best practice / success story in the field of artistic, business and technological innovation
- Has the Creative Europe support improved the market position of the beneficiary operator?
- Please indicate the number of European and international co-production and distribution partners reported at the end of the development phase of the supported project
- Is the project a co-production between production companies from different countries?
- Have you published information on your project (website, logo, project results) on the Creative Europe results platform (http://ec.europa.eu/programmes/creative-europe/projects/)?

Finally, you are asked to provide the Agency with a Report of Factual Findings – Type I\(^1\), which must be delivered by an independent and qualified external auditor.\(^2\)

3.2 Eligible costs and supporting documents to be kept

Please read carefully General condition n°19. Eligible costs of the action are costs actually incurred by the beneficiary which meet the following criteria:
- they are incurred in the eligibility period of the action (refer to Article 2), with the exception of costs relating to the request for payment of the balance and the Report of Factual Findings on the Final Financial Report – Type I;
- they are indicated in the estimated budget set out in Annex III of the Grant Decision;
- they are incurred in connection with the action as described in Annex I of the Grant Decision and are necessary for its implementation;
- they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and with the usual cost accounting practices of the beneficiary;
- they comply with the requirements of applicable tax and social legislation; and
- they are reasonable, justified, and comply with the principle of sound financial management, in particular regarding economy and efficiency.

There are two categories of costs: direct costs (General condition 19.2) and indirect costs (General condition 19.3):

\(^1\) https://eacea.ec.europa.eu/about-eacea/document-register_en#audit
\(^2\) The Report of Factual Findings on the Final Financial Report – Type I does not have to be provided in the case of an interim report.
Direct costs of the action are those specific costs which are directly linked to the implementation of the action and can therefore be attributed directly to it. They may not include any indirect costs.

Indirect costs of the action are those costs which are not specific costs directly linked to the implementation of the action and can therefore not be attributed directly to it. They may not include any costs identifiable or declared as eligible direct costs. Unless otherwise specified in Article 3 of the Grant Decision, eligible indirect costs shall be declared on the basis of a flat rate of 7% of the total eligible direct costs.

Keeping reliable and up-to-date accounting records is essential to demonstrate how the project used its financial resources. All direct costs must be supported by proofs, for example:

- Personnel costs: timesheets should be completed by each staff member showing the time spent on any specific project included in the Slate. The timesheet should be signed by the employee and his/her superior (time registration systems are also accepted). Payroll documentation (contracts, salary sheets) must also be retained.
- Travel and subsistence costs: original airline tickets or travel agent invoices and boarding passes, bus/train tickets and taxi receipts, hotel invoices. The name of the staff member and the project reference/title must be clearly identifiable.
- Option / Right fees: contracts and invoices supporting payments. Indicate the reference and title of the project on supporting documents/invoices.

3.3 Calculation of the final grant

In accordance with the terms of the General Condition n°25, the final MEDIA contribution will be limited to the amount mentioned in Article 3(a) of the Grant Decision. In addition the final MEDIA contribution shall be limited to the amount obtained in applying the percentage of support shown in Article 3(a) of the final eligible costs; as a consequence, if the final amount of eligible expenditure is less than the provisional amount, the Agency will reduce the amount of the foreseen final payment, or demand the partial or total repayment of the pre-financing.

As indicated in article 8 of the Grant Decision, budget transfers between budget categories are limited to 10% of the estimated eligible costs of the action.

As stipulated in article 10.2 of the Grant Decision, any conversion into euro of costs incurred in other currencies shall be made by the beneficiary at the monthly accounting rate established by the Commission and published on its website (http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm) applicable on the month when the financial statement is drafted.

The Agency reserves the right to request the submission of any other documents judged necessary for the evaluation of the development of each project.

4. Amendments

In order to allow us to deal with your report in the most efficient way, we would ask that you keep your company data updated in the Funding & tender opportunities portal.
If any changes have occurred in the company details since the signature of the Decision/agreement, please modify the relevant data in your profile (legal name and/or status of the company, legal and/or correspondence address, bank account).

Any amendment to the Grant Decision must be made in writing and be duly justified by the beneficiary (i.e. extension of eligibility period, changes in the budget breakdown). The beneficiary must also inform the Agency of any change of bank account details and legal representative.

We would draw your attention to the fact that all requests for amendments must be made no later than one month before the end of the action as indicated in Article 2.2 of the Grant Decision.

5. Visibility of the European Union support

During the development phase (i.e. until the production of the 1st playable prototype), you must use the Creative Europe MEDIA logo and credit on any communication/promotion material, including the GDD, prototype and teasers / trailers, websites, press kits, communication on social networks, video platforms, crowdfunding campaigns, etc.

You can find the Creative Europe logo and guidelines on visual identity here: https://eacea.ec.europa.eu/about-eacea/visual-identity_en

The relevant article of the grant agreement is 10.4 Visibility of the European Union support:

For the purpose of the application of General condition n° 7, the beneficiary shall indicate in any communication or publication about the action, including its website, that the action has received funding from the European Union. This includes a mention of the development support on onscreen credits of the final produced project when applicable. Such acknowledgment shall be worded as follows: "with the support of the Creative Europe Programme - MEDIA of the European Union" and be accompanied by the Creative Europe - MEDIA logo and the European flag. The beneficiary shall use the logos, trademarks or items created by the Agency for these purposes and include in the publications/catalogue of the action covered by this Grant Decision the text provided by the Agency.

The obligation to comply with the publicity provision set out in General Condition n° 7 constitutes a substantial obligation. Without prejudice to the right to terminate the grant, in case of failure to fulfil this obligation, the Agency may apply a 20% reduction of the grant initially provided for.

The beneficiary undertakes to supply to the Agency one copy of all audiovisual works resulting from the development of the action on the appropriate platform.

In summary:
- The logo/credit must be used on all occasions during the development phase.
- The logo/credit must be used on the 1st playable prototype (end of the development phase).
- The logo/credit does not necessarily need to be used during the production phase, but you are allowed to if you wish.
- The logo/credit must be used on the final version of video game (which will be sold on the market).

Therefore, your publisher must be aware that the logo/credit will have to be used together with the other credits.

6. Audits

In accordance with the terms of the General Condition n°27, the Agency reserves the right to request an audit into the use of the MEDIA support, during a period of 5 years following the date of the final payment of support.

7. Correspondence

All correspondence should be sent to the following address:

EACEA-MEDIA-DEV-MONITORING@ec.europa.eu

Please do not forget to inform us of major changes/events/milestones in the lifecycle of your project.