

KÖSZ III-12-
2014 FEBR 21.

KÖSZ III-12-00214 2014 MÁRC 04.



GRANT AGREEMENT for an ACTION AGREEMENT NUMBER – IEE/13/765/SI2.675531

MLEI SOLANOVA–City of Újbuda and Pest County (HU)

relating to the implementation of an action in the framework of the

"Intelligent Energy – Europe" Programme

*Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007-2013)*¹

The Executive Agency for Small and Medium-sized Enterprises (EASME) (hereinafter referred to as "the Agency") that replaces and succeeds the Executive Agency for Competitiveness and Innovation², acting under powers delegated by the European Commission (hereinafter referred to as "the Commission"), and represented for the purposes of signature of the present agreement by Mr Vincent BERRUTTO, Head of Unit, or his duly authorised representative,

of the one part,

Budapest Főváros XI. kerület Újbuda Önkormányzata (Újbuda)
Bocskai 39-41, 1113 Budapest, Hungary,

hereinafter referred to as "the coordinator", represented for the purposes of signature of this agreement by Mr Tamás HOFFMANN, Mayor,

and the following co-beneficiary,

Pest Megye Önkormányzata (Pest County)
Városház 7, 1052 Budapest, Hungary,

represented for the purposes of signature of this agreement by Mr Lajos SZÜCS, President,

1. OJ L 310 of 9 November 2006, p. 15, Article 37.

2. Commission Implementing Decision 2013/77/EU of 17 December 2013 establishing the Executive Agency for Small and Medium-sized Enterprises and repealing Decisions 2004/20/EC and 2007/372/EC. OJ L 341/73 of 18 December 2013.



who have conferred powers of attorney to the coordinator for the purposes of signature of this agreement and any subsequent riders, according to the mandates attached to the present agreement and which form an integral part of it, collectively "the beneficiaries", and each individually identified as "beneficiary" for purposes of this agreement where a provision applies without distinction to the coordinator or a co-beneficiary,

of the other part ,

collectively "the parties to the agreement",

HAVE AGREED

The **Special conditions** and the **General conditions** below, and the following **Annexes** :

- Annex I Description of the action
- Annex II Estimated budget of the action
- Annex III Technical Implementation Reports and financial statements
- Annex IV Mandates conferring powers of attorney from the co-beneficiaries to the coordinator

which form an integral part of this agreement ("the agreement").

The terms set out in the **Special Conditions** shall take precedence over those in the other parts of the agreement.

The terms of the **General Conditions** shall take precedence over those in the **Annexes** .

The terms set out in **Annex I** (Description of the Action) shall take precedence over those in the other **Annexes** .



I – SPECIAL CONDITIONS

ARTICLE I.1 – PURPOSE

- I.1.1. The Agency has decided to award a grant, under the terms and conditions set out in the Special Conditions, the General Conditions and the Annexes to the agreement, which the beneficiaries hereby declare that they have taken note of and accept, for the action entitled 'MLEI SOLANOVA–City of Újbuda and Pest County (HU)' ("the action").
- I.1.2. The beneficiaries accept the grant and undertake to do everything in their power to carry out the action as described in Annex I, acting under their own responsibility.

ARTICLE I.2 – DURATION

- I.2.1. The agreement shall enter into force on the date when the last contracting party signs ("the date of entry into force of the agreement").
- I.2.2. The action shall run for 36 months from the first day of the month following the date when the last contracting party signs ("the starting date of the action").

ARTICLE I.3 – ROLE OF THE BENEFICIARIES

- I.3.1. The coordinator shall 'inter alia':
- (a) ensure that the action is implemented in accordance with the agreement;
 - (b) be the intermediary for all communication between the co-beneficiaries and the Agency in accordance with Article I.8. Any claims that the Agency might have in respect of the agreement shall be addressed to, and answered by, the coordinator, except where specifically stated otherwise in the agreement;
 - (c) be responsible for supplying all documents and information to the Agency which may be required under the agreement, in particular in relation to the request for payment. The co-ordinator shall not delegate any part of this task to the co-beneficiaries or to any other party. Where information from the co-beneficiaries is required, the coordinator shall be responsible for obtaining and verifying this information and for passing it on to the Agency;
 - (d) inform the co-beneficiaries concerning any event, of which he is aware, that is liable to substantially affect or delay the implementation of the action;
 - (e) inform the Agency of transfers of budget, as provided in Article I.4.4;
 - (f) make the appropriate arrangements for the beneficiaries to provide the financial guarantees when requested, under the provisions of Article I.5;
 - (g) establish the payment requests on behalf of the beneficiaries, detailing the exact share and amount assigned to each beneficiary, in accordance with the agreement, the estimated eligible costs as foreseen in Annex II, and the actual costs incurred. All payments by the Agency are made to the bank account referred to in paragraph 1 of Article I.7;
 - (h) where designated the sole recipient of payments on behalf of all of the beneficiaries, ensure that all the appropriate payments are made to the co-beneficiaries within 30 days upon receipt of the funds paid by the Agency, unless there is a justified delay, in accordance with Article I.5 and in accordance with Annex II and shall inform the Agency of the distribution of the European Union (hereinafter referred to as "the Union") financial contribution between the co-beneficiaries and of the date of transfer;



- I.3.2. The co-beneficiaries shall 'inter alia':
- (a) agree upon appropriate arrangements for the proper performance of the work incumbent upon them pursuant to Annex I.
 - (b) forward to the coordinator the data needed to draw up the reports, financial statements and other documents provided for in the agreement including its Annexes;
 - (c) ensure that all information to be provided to the Agency is sent via the coordinator, except where the agreement specifically stipulates otherwise;
 - (d) inform the coordinator immediately concerning any event, of which they are aware, that is liable to substantially affect or delay the implementation of the action;
 - (e) inform the Agency via the coordinator of transfers of budget, as provided in Article I.4.4;
 - (f) provide the coordinator with all the necessary documents in the event of audits, checks or evaluations, as described in Articles II.19 and II.6.

ARTICLE I.4 – FINANCING THE ACTION

- I.4.1. The total costs of the action are estimated at EUR 657 274,00 (six hundred and fifty-seven thousand two hundred and seventy-four Euros), as shown in the estimated budget in Annex II. The estimated budget shall give a detailed breakdown of the costs that are eligible for Union funding under the terms of Article II.14, of any other costs that the action may entail, and of all receipts, so that receipts and costs balance.

The estimated budget in Annex II shall include a table indicating the breakdown of estimated eligible costs and receipts between each beneficiary. The table shall be agreed collectively by the beneficiaries and shall be deemed to form an integral part of the budget of the agreement.

- I.4.2. The total eligible costs of the action for which the grant is awarded are estimated at EUR 657 274,00 (six hundred and fifty-seven thousand two hundred and seventy-four Euros), as shown in the estimated budget in Annex II.

Subject to the conditions laid down in Article II.14.3, indirect costs are eligible for flat-rate funding fixed at 60% of the beneficiaries total eligible direct staff costs, as shown in the estimated budget in Annex II.

- I.4.3. The Agency shall contribute a maximum of EUR 492 954,00 (four hundred and ninety-two thousand nine hundred and fifty-four Euros), equivalent to 75,00 % of the estimated total eligible costs indicated in Article I.4.2. The final amount of the grant shall be determined as specified in Article II.17, without prejudice to Article II.19.

The grant may not finance the entire costs of the action. The amounts and sources of co-financing other than from Union funds shall be set out in the estimated budget referred to in Article I.4.1.

- I.4.4. By way of derogation from Article II.13, a beneficiary may, when carrying out the action, adjust the estimated budget by transfers between items of eligible costs, provided that this adjustment of expenditure does not affect the implementation of the action and the transfer between items does not exceed 20% of the total costs of this beneficiary. The beneficiary shall inform the Agency in writing through the coordinator at the latest at the time of the final report.

By way of derogation from Article II.13, beneficiaries may, when carrying out the action, transfer between themselves the estimated budget set out in Annex II, provided that this adjustment of expenditure does not affect the implementation of the action and the transfer does not exceed 20% of the total eligible costs of the recipient beneficiary. The coordinator shall inform the Agency in writing at the latest at the time of the final report.



ARTICLE I.5 – PAYMENT ARRANGEMENTS

The grant to the action shall be paid in accordance with the provisions of Article II.15 of the General Conditions and the following provisions:

I.5.1. First pre-financing

Within 30 (thirty) calendar days from the date when the signed agreement and all the mandates are officially received by the Agency, a pre-financing payment of EUR 147 886,20 (one hundred and forty-seven thousand eight hundred and eighty-six Euros and twenty cents) representing 30% of the amount specified in Article I.4.3, shall be made to the coordinator.

I.5.2. Second pre-financing

The coordinator may request a second pre-financing payment provided that 100% of the first pre-financing payment has been used up.

The aggregate amount of the pre-financing payments shall represent 60% of the maximum amount of the grant specified in Article I.4.3.

The request for payment of a second pre-financing shall be drawn up in accordance with the provisions of Article I.3.1 (g) and Article II.15.2 and shall be accompanied by the following documents:

- an interim technical implementation report on the action
- interim financial statements of the eligible costs actually incurred, following the structure of the estimated budget, including a consolidated statement and a breakdown between each beneficiary;
- copies of bank statements showing the transfer to the co-beneficiaries of the first pre-financing paid by the Agency.

The amount of the second pre-financing shall be paid to the coordinator upon approval by the Agency of the interim technical implementation report and interim financial statement in accordance with the procedure laid down in Article II.15.2.

The Agency shall have 90 days to approve or reject the report and to pay the second pre-financing, or to request additional supporting documents or information under the procedure laid down in Article II.15.2. The coordinator shall have 20 (twenty) calendar days in which to submit additional information or a new report.

The payment of the amount of the second pre-financing may be suspended by the Agency in accordance with the procedure in Article II.16.2.

I.5.3. Payment of the balance

Upon completion of the action, a payment representing the balance of the grant determined in accordance with Article II.17 shall be made to the coordinator.

The request for payment of the balance shall be drawn up in accordance with the provisions of Article I.3.1 (g) and Article II.15.3 and shall be accompanied by the following documents:

- a final technical implementation report;
- a final financial statement of the eligible costs actually incurred following the structure of the estimated budget including a consolidated statement and a breakdown between each beneficiary;
- where required according to the provision below, a certificate on the financial statements and underlying accounts produced by an approved auditor. The certificate shall certify that the costs declared by the beneficiaries in the financial statements on which the request of payment is based are real, accurately recorded and eligible and that receipts have been declared in accordance with the agreement;
- copies of bank statements showing the transfer to the co-beneficiaries of the second pre-financing paid by the Agency.

Each beneficiary for whom the amount of Union funding is equivalent to or exceeds EUR 325.000 (three hundred and twenty five thousand euros) shall provide, in addition, an external audit report on the action's accounts, except where the beneficiary concerned is a public body or an international organisation.



The amount of the final payment shall be determined on the basis of the eligible costs actually incurred, as shown in the final statement and validated by the Agency in accordance with article 1.4.3. [where appropriate the amount of any pre-financing previously paid to the beneficiary shall be deducted].

The balance of the grant shall be paid to the coordinator upon approval by the Agency of the final technical implementation report and final financial statements in accordance with the procedure laid down in Article II.15.3.

The Agency shall have 90 days to approve or reject the report and to pay the balance in accordance with Article II.17, or to request additional supporting documents or information under the procedure laid down in Article II.15.3. The beneficiary shall have 20 (twenty) calendar days in which to submit additional information or a new report.

The payment of the balance of the grant may be suspended by the Agency in accordance with the procedure in Article II.16.2.

ARTICLE I.6 – SUBMISSION OF REPORTS AND OTHER DOCUMENTS

The technical implementation reports, financial statements and any other documents referred to in Article II.15 shall be submitted in accordance with the provisions of Annex III of the agreement and the following:

I.6.1. The beneficiaries shall submit, through the coordinator and in the format provided by the Agency, the following documents:

- (a) 2 (two) technical progress reports;
- (b) an interim technical implementation report and interim financial statements;
- (c) a final technical implementation report and final financial statements.

All these documents shall be submitted in English, in 1 (one) original, 1 (one) copy, and 1 (one) electronic format. Any other deliverable shall be submitted in accordance with Annex I.

I.6.2. The first technical progress report, covering the period from month 1 to month 9, shall be submitted within 30 (thirty) calendar days of the end of the reporting period in question.

The second technical progress report, covering the period from month 19 to month 27, shall be submitted within 30 (thirty) calendar days of the end of the reporting period in question.

I.6.3. The interim technical implementation report and interim financial statements, covering the period from month 1 to month 18 shall be submitted within 30 (thirty) calendar days of the end of the reporting period in question.

I.6.4. The final technical implementation report and financial statements, including a consolidated statement and a breakdown between each beneficiary, shall be submitted within 60 (sixty) calendar days following the closing date of the action specified in Article I.2.2 covering the whole duration of the action.

ARTICLE I.7 – BANK ACCOUNT

Payments shall be made to the coordinator's bank account or sub-account denominated in Euro, as indicated below:

Name of the bank: OTP BANK PLC.
 Address of the branch: 16, NADOR STREET, BUDAPEST, Hungary
 Precise denomination of the account holder: BP FOV XI KER UJBUDA ONKORMANYZATA
 Full account number (including bank codes):
 IBAN account code: HU74117840091551100100000000

ARTICLE I.8 – GENERAL ADMINISTRATIVE PROVISIONS

Any communication in connection with this agreement shall be in writing, in English, indicating the number of the agreement, the title and acronym of the action, and shall be sent to the following addresses:

For the Agency:

Executive Agency for Small and Medium-sized Enterprises (EASME)



Unit B1 Energy
 Mr Vincent BERRUTTO, Head of Unit,
 Rue du Bourget 1
 B-1140 Bruxelles

The entity acting as a data controller according to Article I.10 shall be the above-mentioned Head of Unit.

Ordinary mail shall be considered to have been received by the Agency on the date on which it is formally registered by the unit responsible at the Agency referred to above.

For the coordinator:

Budapest Főváros XI. kerület Újbuda Önkormányzata
 Mr Zoltán KISS, Senior Expert
 Bocskai 39-41
 1113 Budapest
 Hungary

Any communication from the Agency to the co-beneficiaries and vice-versa shall be made through the coordinator in accordance with Articles I.3.1 (b) and I.3.2 (c).

ARTICLE I.9 – LAW APPLICABLE AND COMPETENT COURT

The grant is governed by the terms of the agreement, the Union rules applicable and, on a subsidiary basis, by the law of Belgium relating to grants.

The beneficiaries may bring legal proceedings regarding decisions by the Agency concerning the application of the provisions of the agreement and the arrangements for implementing it before the General Court of the European Union and, in the case of appeal, the Court of Justice.

ARTICLE I.10 – PROCESSING OF PERSONAL DATA

I.10.1 Processing of personal data by the Agency

Any personal data included in the Agreement shall be processed by the Agency pursuant to Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.

Such data shall be processed by the data controller identified in Article I.8.1 solely for the purposes of the implementation, management and monitoring of the Agreement, without prejudice to possible transmission to the bodies charged with the monitoring or inspection tasks in application of Union law.

The beneficiaries shall have the right of access to their personal data and the right to rectify any such data. Should the beneficiaries have any queries concerning the processing of their personal data, they shall address them to the data controller, identified in Article I.8.1.

The beneficiaries shall have the right of recourse at any time to the European Data Protection Supervisor.

I.10.2 Processing of personal data by the beneficiaries

Where the Agreement requires the processing of personal data by the beneficiaries, the beneficiaries may act only under the supervision of the data controller identified in Article I.8 in particular with regard to the purpose of the processing, the categories of data which may be processed, the recipients of the data and the means by which the data subject may exercise his or her rights.

The access to data that the beneficiaries grant to their personnel shall be limited to the extent strictly necessary for the implementation, management and monitoring of the Agreement.

The beneficiaries undertake to adopt appropriate technical and organisational security measures having regard to the risks inherent in the processing and to the nature of the personal data concerned, in order to:

- (a) prevent any unauthorised person from gaining access to computer systems processing personal data, and especially:
 - (i) unauthorised reading, copying, alteration or removal of storage media;



- (ii) unauthorised data input as well as any unauthorised disclosure, alteration or erasure of stored personal data;
- (iii) unauthorised persons from using data-processing systems by means of data transmission facilities;
- (b) ensure that authorised users of a data-processing system can access only the personal data to which their access right refers;
- (c) record which personal data have been communicated, when and to whom;
- (d) ensure that personal data being processed on behalf of third parties can be processed only in the manner prescribed by the Agency;
- (e) ensure that, during communication of personal data and transport of storage media, the data cannot be read, copied or erased without authorisation;
- (f) design their organisational structure in such a way that it meets data protection requirements.

ARTICLE I.11 – OTHER SPECIAL CONDITIONS

The following other special conditions apply to this agreement:

- I.11.1. In addition to the documents referred to in Article I.6.1, the beneficiaries must set up a project website at the latest 6 (six) months after the starting date of the action as specified in Article I.2.2 and it must be accessible until at least 2 (two) years after the end date of the action. This project website has to be set up in accordance with the provisions of Annex III to the agreement.
- I.11.2. The coordinator shall submit the payment requests in accordance with Article I.5, including the underlying financial statements, in euro. By way of derogation from Article II.16.1, any conversion of actual costs into euro shall be made by the beneficiary at the monthly accounting rate established by the Commission and published on its website³ applicable on the day when the cost was incurred, or at the monthly accounting rate established by the Commission and published on its website applicable on the first working day of the month following the period covered by the financial statement concerned.
- I.11.3. Without prejudice to the provisions of Article II.14.1, the costs relating to the final reports and audit certificates shall be eligible only when incurred by the beneficiaries within a maximum period of two months following the completion of the action as specified in Article I.2.2.
- I.11.4. Article II.18.1 is replaced by the following:

"Where an amount paid by the Agency to the coordinator in his capacity of recipient of all payments, is to be recovered under the terms of the agreement, the coordinator undertakes to repay the Agency the sum in question, on whatever terms and by whatever date it may specify, even if he has not been the final recipient of the amount due. However, the Agency reserves the right, where appropriate, to recover the amount due directly from the final recipient.

Where such an amount to be recovered under the terms of the agreement was directly paid by the Agency to a beneficiary, or if recovery is justified under Article II.12 of the agreement, the beneficiary concerned undertakes to repay the Agency the sum in question, on whatever terms and by whatever date it may specify."
- I.11.5. The amount of the planned investment in energy efficiency and renewable measures as defined in Annex I supported by this grant agreement must represent at least 15 times the amount of the total eligible cost as defined under I.4.2. Without prejudice to Articles I.5 and II.14, the EU contribution can only be paid in full if the planned investments as defined in Annex I are launched within the duration of the action specified in Article I.2.2. Evidence to this effect must be submitted by the beneficiary. In case of failure to launch the planned investments the beneficiary will have to reimburse the EU contribution. In such a case, subject to due analysis, some cost might be eligible if adequately justified; non availability of budgetary resources shall not be a justified reason.

3. <http://ec.europa.eu/budget/inforeuro/index.cfm?fuseaction=home&Language=en>



II – GENERAL CONDITIONS

PART A – LEGAL AND ADMINISTRATIVE PROVISIONS

ARTICLE II.1 – LIABILITY

- II.1.1 The beneficiaries shall be responsible for complying with any legal obligations incumbent on them.
- II.1.2 The Agency shall not, in any circumstances or on any grounds, be held liable in the event of a claim under the agreement relating to any damage caused during the action's execution. Consequently, the Agency will not entertain any request for indemnity or reimbursement accompanying any such claim.
- II.1.3 Except in cases of force majeure, the beneficiaries shall make good any damage sustained by the Agency as a result of the execution or faulty execution of the action.
- II.1.4 The beneficiaries shall bear sole liability vis à vis third parties, including for damage of any kind sustained by them while the action is being carried out.

ARTICLE II.2 – CONFLICT OF INTERESTS

The beneficiaries undertake to take all the necessary measures to prevent any risk of conflicts of interests which could affect the impartial and objective performance of the agreement. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional reasons, or any other shared interest.

Any situation constituting or likely to lead to a conflict of interests during the performance of the agreement must be brought to the attention of the Agency, in writing, without delay. The beneficiaries shall undertake to take whatever steps are necessary to rectify this situation at once. The Agency reserves the right to check that the measures taken are appropriate and may demand that the beneficiaries take additional measures, if necessary, within a certain time.

ARTICLE II.3 – PRE-EXISTING RIGHTS AND OWNERSHIP AND USE OF THE RESULTS (INCLUDING INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS)

- II.3.1 Ownership of the results by the beneficiaries
- Unless stipulated otherwise in the Agreement, ownership of the results of the action, including industrial and intellectual property rights, and of the reports and other documents relating to it, shall be vested in the beneficiaries.
- II.3.2 Pre-existing industrial and intellectual property rights
- Where industrial and intellectual property rights, including rights of third parties, exist prior to the conclusion of the Agreement, the beneficiaries shall establish a list which shall specify all rights of ownership and use of the pre-existing industrial and intellectual property rights and disclose it to the Agency at the latest before the commencement of implementation.
- The beneficiaries shall ensure that they or their affiliated entities have all the rights to use any pre-existing industrial and intellectual property rights during the implementation of the Agreement.
- II.3.3 Rights of use of the results and of pre-existing rights by the Union
- Without prejudice to Articles II.1 and II.3.1, the beneficiaries grant the Union the right to use the results of the action for the following purposes:
- (a) use for its own purposes, and in particular, making available to persons working for the Agency, other Union institutions, agencies and bodies and to Member States' institutions, as well as, copying and reproducing in whole or in part and in unlimited number of copies;
 - (b) distribution to the public, and in particular, publication in hard copies and in electronic or digital format, publication on the internet, including on the Europa website, as a downloadable or non-downloadable file, broadcasting by any kind of technique of transmission, public display or presentation, communication through press information services, inclusion in widely accessible databases or indexes;



- (c) translation;
- (d) giving access upon individual requests without the right to reproduce or exploit, as provided for by Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents;
- (e) storage in paper, electronic or other format;
- (f) archiving in line with the document management rules applicable to the Agency;
- (g) rights to authorise or sub-licence the modes of exploitation set out in points (b) and (c) to third parties.

Additional rights of use for the Union may be provided for in the Special Conditions.

The beneficiaries shall warrant that the Union has the right to use any pre-existing industrial and intellectual property rights, which have been included in the results of the action. Unless specified otherwise in the Special Conditions, those pre-existing rights shall be used for the same purposes and under the same conditions applicable to the rights of use of the results of the action.

Information about the copyright owner shall be inserted when the result is divulged by the Union. The copyright information shall read: "© – year – name of the copyright owner. All rights reserved. Licenced to the European Union under conditions.".

ARTICLE II.4 – CONFIDENTIALITY

The Agency and the beneficiaries undertake to preserve the confidentiality of any document, information or other material directly related to the subject of the agreement that is duly classed as confidential, if disclosure could cause prejudice to the other party. The parties shall remain bound by this obligation beyond the closing date of the action.

ARTICLE II.5 – PUBLICITY

II.5.1 Unless the Agency requests otherwise, any communication or publication by the beneficiaries collectively or any one of the beneficiaries individually about the action, including at a conference or seminar, shall indicate that the action has received funding from the Union.

Any communication or publication by the beneficiaries collectively or any one of the beneficiaries individually, in any form and medium, shall indicate that sole responsibility lies with the author and that the Agency is not responsible for any use that may be made of the information contained therein.

II.5.2 The beneficiaries authorise the Agency and/or the Commission to publish the following information in any form and medium, including via the Internet:

- the beneficiaries' names and addresses,
- the subject and purpose of the grant,
- the amount and rate of the Union financial contribution foreseen for the action and the amount and rate for each beneficiary foreseen in the estimated budget of the action in Annex II; after the final payment, the amount and rate of the Union financial contribution accepted by the Agency for the action and for each beneficiary.

Upon a reasoned and duly substantiated request by the coordinator, the Agency may agree to forgo such publicity if disclosure of the information indicated above would risk compromising the beneficiaries' security or prejudicing their commercial interests.

ARTICLE II.6 – EVALUATION

Whenever the Commission carries out an interim or final evaluation of the action's impact measured against the objectives of the Union programme concerned, the co-ordinator with the support of the co-beneficiaries undertake to make available to the Commission and/or persons authorised by it all such documents or information as will allow the evaluation to be successfully completed and to give them the rights of access specified in Article II.19.



ARTICLE II.7 – SUSPENSION**II.7.1 Suspension of the implementation by the beneficiaries**

The coordinator, on behalf of the beneficiaries, may suspend the implementation of the action or any part thereof, if exceptional circumstances make such implementation impossible or excessively difficult, in particular in the event of force majeure. The coordinator shall inform the Agency without delay, giving all the necessary reasons and details and the foreseeable date of resumption.

Unless the Agreement or the participation of a beneficiary is terminated in accordance with Articles II.11.1 and II.11.2 or points (b) or (c) of Article II.11.3, the coordinator shall, once the circumstances allow resuming the implementation of the action, inform the Agency immediately and present a request for amendment of the Agreement as provided for in Article II.7.3.

II.7.2 Suspension of the implementation by the Agency**II.7.2.1 The Agency may suspend the implementation of the action or any part thereof:**

- (a) if the Agency has evidence that a beneficiary has committed substantial errors, irregularities or fraud in the award procedure or in the implementation of the Agreement or if a beneficiary fails to comply with its obligations under the Agreement
- (b) if the Agency has evidence that a beneficiary has committed systemic or recurrent errors, irregularities, fraud or breach of obligations under other grants funded by the Union or the European Atomic Energy Community which were awarded to that beneficiary under similar conditions, provided that those errors, irregularities, fraud or breach of obligations have a material impact on this grant; or
- (c) if the Agency suspects substantial errors, irregularities, fraud or breach of obligations committed by a beneficiary in the award procedure or in the implementation of the Agreement and needs to verify whether they have actually occurred.

II.7.2.2 Before suspending the implementation the Agency shall formally notify the coordinator of its intention to suspend, specifying the reasons thereof, and, in the cases referred to in points (a) and (b) of Article II.7.2.1, the necessary conditions for resuming the implementation. The coordinator shall be invited to submit observations on behalf of all beneficiaries within 30 calendar days from receipt of this notification.

If, after examination of the observations submitted by the coordinator, the Agency decides to stop the suspension procedure, it shall formally notify the coordinator thereof.

If no observations have been submitted or if, despite the observations submitted by the coordinator, the Agency decides to pursue the suspension procedure, it may suspend the implementation by formally notifying the coordinator thereof, specifying the reasons for the suspension and, in the cases referred to in points (a) and (b) of Article II.7.2.1, the definitive conditions for resuming the implementation or, in the case referred to in point (c) of Article II.7.2.1, the indicative date of completion of the necessary verification.

The coordinator shall inform the other beneficiaries immediately. The suspension shall take effect five calendar days after the receipt of the notification by the coordinator or on a later date, where the notification so provides.

In order to resume the implementation, the beneficiaries shall endeavour to meet the notified conditions as soon as possible and shall inform the Agency of any progress made in this respect.

Unless the Agreement or the participation of a beneficiary is terminated in accordance with Articles II.11.1, II.11.2 or points (b), (g) or (j) of Article II.11.3, the Agency shall, as soon as it considers that the conditions for resuming the implementation have been met or the necessary verification, including on-the-spot checks, has been carried out, formally notify the coordinator thereof and invite the coordinator to present a request for amendment of the Agreement as provided for in Article II.7.3.

II.7.3 Effects of the suspension

If the implementation of the action can be resumed and the Agreement is not terminated, an amendment to the Agreement shall be made in accordance with Article II.13 in order to establish the date on which the action shall be resumed, to extend the duration of the action and to make any other modifications that may be necessary to adapt the action to the new implementing conditions.



The suspension is deemed lifted as from the date of resumption of the action agreed by the parties in accordance with the first subparagraph. Such a date may be before the date on which the amendment enters into force.

Any costs incurred by the beneficiaries, during the period of suspension, for the implementation of the suspended action or the suspended part thereof, shall not be reimbursed or covered by the grant.

The right of the Agency to suspend the implementation is without prejudice to its right to terminate the Agreement or the participation of a beneficiary in accordance with Article II.11.3 and its right to reduce the grant or recover amounts unduly paid in accordance with Articles II.17 and II.18.

Neither party shall be entitled to claim compensation on account of a suspension by the other party.

ARTICLE II.8 – FORCE MAJEURE

- II.8.1 Force majeure shall mean any unforeseeable exceptional situation or event beyond the parties' control which prevents them from fulfilling any of their obligations under the agreement, was not attributable to error or negligence on their part, and proves insurmountable in spite of all due diligence. Defects in equipment or material or delays in making them available (unless due to force majeure), labour disputes, strikes or financial difficulties cannot be invoked as force majeure by the defaulting party.
- II.8.2 A party faced with force majeure shall inform the other party without delay by registered letter with advice of delivery or equivalent, stating the nature, probable duration and foreseeable effects.
- II.8.3 The party faced with force majeure shall not be held in breach of his obligations under the agreement if he's prevented from fulfilling them by force majeure. The parties shall make every effort to minimise any damage due to force majeure.
- II.8.4 The action may be suspended in accordance with Article II.7.

ARTICLE II.9 – AWARD OF CONTRACTS

- II.9.1 If the beneficiaries have to conclude contracts in order to carry out the action and they constitute costs of the action under an item of eligible direct costs in the estimated budget, they shall award the contract to the bid offering the best value for money; in doing so they shall take care to avoid any conflict of interests.
- II.9.2 Contracts as referred to in Article II.9.1 may be awarded only in the following cases:
- a) they may only cover the execution of a limited part of the action;
 - b) recourse to the award of contracts must be justified having regard to the nature of the action and what is necessary for its implementation;
 - c) the tasks concerned must be set out in Annex I and the corresponding estimated costs must be set out in detail in the budget in Annex II;
 - d) any recourse to the award of contracts while the action is under way, if not provided for in the initial grant application, shall be subject to prior written authorisation by the Agency,
 - e) the beneficiaries shall retain sole responsibility for carrying out the action and for compliance with the provisions of the agreement. The beneficiaries must undertake to make the necessary arrangements to ensure that the contractor waives all rights in respect of the Agency under the agreement;
 - f) the beneficiaries must undertake to ensure that the conditions applicable to them under Articles II.1, II.2, II.3, II.4, II.5, II.6, II.10 and II.19 of the agreement are also applicable to the contractor.

II.9.3 SUBCONTRACTING OF TASKS FORMING PART OF THE ACTION

- II.9.3.1 A "subcontract" is a procurement contract within the meaning of Article II.9.1 and II.9.2 which covers the implementation by a third party of tasks forming part of the action as described in Annex I.
- II.9.3.2 Beneficiaries may subcontract tasks forming part of the action, provided that, in addition to the conditions specified in Article II.9 and the Special Conditions, the following conditions are complied with:



- (a) subcontracting only covers the implementation of a limited part of the action;
- (b) recourse to subcontracting is justified having regard to the nature of the action and what is necessary for its implementation;
- (c) the estimated costs of the subcontracting are clearly identifiable in the estimated budget set out in Annex II;
- (d) any recourse to subcontracting, if not provided for in Annex I, is communicated by the coordinator and approved by the Agency without prejudice to Article II.13.2;
- (e) the beneficiaries ensure that the conditions applicable to them under Article II.5 are also applicable to the subcontractors.

ARTICLE II.10 – ASSIGNMENT

Claims against the Agency may not be transferred.

In exceptional circumstances, where the situation warrants it, the Agency may authorise the assignment to a third party of the agreement and payments flowing from it following a written request to that effect, giving reasons, from the coordinator in agreement with the co-beneficiaries. If the Agency agrees, it must make its agreement known in writing to the co-ordinator before the proposed assignment takes place. In the absence of the above authorisation, or in the event of failure to observe the terms thereof, the assignment shall not be enforceable against and shall have no effect on the Agency.

In no circumstances shall such an assignment release the beneficiaries from their obligations to the Agency.

ARTICLE II.11 – TERMINATION OF THE AGREEMENT OR OF THE PARTICIPATION OF A BENEFICIARY

II.11.1 Termination of the agreement by the coordinator

In duly justified cases, the coordinator, in agreement with the co-beneficiaries, may withdraw the beneficiaries' request for a grant and terminate the agreement at any time by giving 60 (sixty) days written notice stating the reasons, without being required to furnish any indemnity on this account.

If no reasons are given or if the Agency does not accept the reasons, the agreement shall be deemed to have been terminated improperly, with the consequences set out in the fifth subparagraph of Article II.11.5.

II.11.2 Termination of the participation of a beneficiary

In duly justified cases, the coordinator may request to terminate the participation of a beneficiary by giving 60 (sixty) days written notice. The co-ordinator shall include with any such request to the Agency the remaining beneficiaries' proposal to reallocate the tasks of that beneficiary or where relevant to nominate a replacement, the reasons for the termination of the participation and the opinion of the beneficiary whose participation is requested to be terminated.

In duly justified cases, any beneficiary may decide to terminate his participation in the agreement. The request must be submitted to the Agency by the coordinator by giving 60 (sixty) days notice stating the reasons.

If no reasons are given or if the Agency does not accept the reasons, the participation shall be deemed to have been terminated improperly, with the consequences set out in the fifth subparagraph of Article II.11.5.

The termination of the participation of the beneficiary concerned shall take effect on the date of the Agency's approval. A written additional agreement shall be concluded to make any amendments necessary to adapt the action to the new implementing conditions resulting from partial termination.

II.11.3 Termination by the Agency

The Agency may decide to terminate the agreement or the participation of any one or several beneficiaries in the action without any indemnity on its part, in the following circumstances:

- (a) in the event of a change to the beneficiary's legal, financial, technical, organisational or ownership situation that is liable to affect the agreement substantially or to call into question the decision to award the grant or if, following the termination of the participation of any one or several beneficiaries, the necessary modifications to the Agreement would call into question the decision awarding the grant or would result in unequal treatment of applicants;



- (b) if a beneficiary fails to fulfil a substantial obligation incumbent on him under the terms of the agreement and its annexes;
- (c) in the event of force majeure, notified in accordance with Article II.8, or if the action has been suspended as a result of exceptional circumstances, notified in accordance with Article II.7;
- (d) if the beneficiary is declared bankrupt, is being wound up, is having his affairs administered by the courts, has entered into an arrangement with creditors, has suspended business activities, is the subject of any other similar proceedings concerning those matters, or is in an analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (e) where the Agency has evidence or seriously suspects the beneficiary or any related entity or person, of professional misconduct;
- (f) if the beneficiary has not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which it is established;
- (g) where the Agency has evidence or seriously suspects the beneficiary or any related entity or person, of fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Union's financial interests;
- (h) where the Agency has evidence or seriously suspects the beneficiary or any related entity or person, of substantial errors, irregularities or fraud in the award procedure or the performance of the grant;
- (i) if the beneficiary has made false declarations or submits reports inconsistent with reality to obtain the grant provided for in the agreement.
- (j) if the Agency has evidence that a beneficiary has committed systemic or recurrent errors, irregularities, fraud or breach of obligations under other grants funded by the Union or the European Atomic Energy Community which were awarded to that beneficiary under similar conditions, provided that those errors, irregularities, fraud or breach of obligations have a material impact on this grant.

For the purposes of points (e), (g) and (h), "any related person" shall mean any natural person which has the power to represent the beneficiary or to take decisions on its behalf.

II.11.4 Termination procedure

The procedure is initiated by registered letter with advice of delivery or equivalent. The co-ordinator shall ensure that all beneficiaries are duly informed.

In the cases referred to in points (a), (b), (d), (e), (g) and (h) of paragraph 3, the co-ordinator in consultation with the beneficiaries, shall have 30 days to submit his observations and take any measures necessary to ensure continued fulfilment of his obligations under the agreement. If the Agency fails to confirm acceptance of these observations by giving written approval within 30 days of receiving them, the procedure shall continue to run.

Where notice is given, termination shall take effect at the end of the period of notice, which shall start to run from the date when notification of the Agency's decision to terminate the agreement is received.

If notice is not given in the cases referred to in points (c), (f), (i) and (j) of paragraph 3, termination shall take effect from the day following the date on which notification of the Agency's decision to terminate the agreement is received.

II.11.5 Effects of termination

In the event of termination of the agreement, payments by the Agency shall be limited to the eligible costs actually incurred by the beneficiaries up to the date when termination takes effect, in accordance with Article II.17. Costs relating to current commitments that are not due to be executed until after termination shall not be taken into account.

The coordinator shall have 60 (sixty) days from the date when termination of the agreement takes effect to produce a request for final payment in accordance with Article II.15.3. If no request for final payment is received within this time limit, the Agency shall not reimburse the expenditures incurred by the beneficiaries up to the date of termination and it shall recover any amount if its use is not substantiated by the technical implementation reports and financial statements approved by the Agency.

Where termination affects the participation of a beneficiary, only those eligible costs actually incurred by the beneficiary concerned up to the date when termination of his participation takes effect shall be considered eligible, in accordance with Article II.17. Costs relating to current commitments that were not due to be executed until after termination shall not be taken into account. The request for payment of the eligible costs incurred up to the date when the termination of the



participation of the beneficiary concerned takes effect shall be included in the following payment request due according to the schedule laid down in Article I.6.

By way of exception, at the end of the period of notice referred to in Article II.11.4, where the Agency is terminating the agreement on the grounds that the coordinator has failed to produce the final technical implementation report and/or the final financial statements within the deadline stipulated in Article I.6 and the coordinator have still not complied with this obligation within two months following the written reminder sent by the Agency by registered letter with advice of delivery or equivalent, the Agency shall not reimburse the expenditure incurred by the beneficiaries up to the date on which the action ended and it shall recover any amount if its use is not substantiated by the technical implementation reports and financial statements approved by the Agency.

By way of exception, in the event of improper termination of the agreement by the coordinator, or a beneficiary's participation in the action, or termination by the Agency on the grounds set out in points (a), (e), (g), (h) (i) or (j) of Article II.11.3, the Agency may require the partial or total repayment of sums already paid under the agreement on the basis of technical implementation reports and financial statements approved by the Agency, in proportion to the gravity of the failings in question and after allowing the coordinator, and when relevant the beneficiaries, to submit their observations.

ARTICLE II.12 – FINANCIAL PENALTIES

By virtue of the Financial Regulation applicable to the general budget of the Union, any one or several of the beneficiaries declared to be in grave breach of their obligations under the agreement shall be liable to financial penalties of between 2% and 10% of the value of their share of the grant in question, with due regard for the principle of proportionality. This rate may be increased to between 4% and 20% in the event of a repeated breach in the 5 (five) years following the first. The beneficiary concerned shall be notified in writing of any decision by the Agency to apply such financial penalties.

ARTICLE II.13 – SUPPLEMENTARY AGREEMENTS

- II.13.1 This agreement including its annexes may be modified only by a written supplementary agreement. No oral agreement may bind the parties to this effect.
- II.13.2 The supplementary agreement may not have the purpose or the effect of making changes to the agreement which might call into question the decision awarding the grant or result in unequal treatment of applicants.
- II.13.3 Where the request for amendment is made by the coordinator, in agreement with the co-beneficiaries, he must send the request to the Agency in good time before it is due to take effect and at all events 30 (thirty) calendar days before the closing date of the action, except in cases duly substantiated by the coordinator and accepted by the Agency.



PART B – FINANCIAL PROVISIONS

ARTICLE II.14 – ELIGIBLE COSTS

II.14.1 Eligible costs of the action are costs actually incurred by the beneficiary, which meet the following criteria:

- they are incurred during the duration of the action as specified in article I.2.2 of the agreement with the exception of costs relating to final reports and certificates on the action financial statements and underlying accounts;
- they are connected with the subject of the agreement and they are indicated in the estimated overall budget of the action;
- they are necessary for the implementation of the action which is subject of the grant;
- 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 according to the usual cost-accounting practices of the beneficiary;
- they comply with the requirements of applicable tax and social legislation;
- they are reasonable, justified and comply with the requirements of sound financial management in particular regarding economy and efficiency.

The beneficiaries' accounting and internal auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the action with the corresponding accounting statements and supporting documents.

II.14.2 The eligible direct costs for the action are those costs which, with due regard for the conditions of eligibility set out in Article II.14.1, are identifiable as specific costs directly linked to performance of the action and which can therefore be booked to it direct.

In particular, the following direct costs are eligible provided that they satisfy the criteria set out in Article II.14.1:

- the cost of staff assigned to the action, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, provided that this does not exceed the average rates corresponding to the beneficiary's usual policy on remuneration; The corresponding salary costs of personnel of national administrations are eligible to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the project concerned were not undertaken;
- travel and subsistence allowances for staff taking part in the action, provided that they are in line with the beneficiary's usual practices on travel costs or do not exceed the scales approved annually by the Commission;
- costs entailed by other contracts awarded by the beneficiary for the purposes of carrying out the action, provided that the conditions laid down in Article II.9 are met.
- the purchase cost of equipment (new or secondhand), provided that it is written off in accordance with the tax and accounting rules applicable to the beneficiary and generally accepted for items of the same kind. Only the portion of the equipment's depreciation corresponding to the duration of the action and the rate of actual use for the purposes of the action may be taken into account by the Agency, except where the nature and/or the context of its use justifies different treatment by the Agency;
- other specific costs, these are costs arising directly from requirements imposed by the agreement (dissemination of information, specific evaluation of the action, audits, translations, reproduction, etc.), including the costs of any financial services (especially the cost of financial guarantees). Such costs may also include specific costs incurred by the coordinator for fulfilling his responsibilities in his capability of the body responsible for the overall management of the action and the co-ordination of the beneficiaries.



II.14.3 The eligible indirect costs for the action are those costs which, with due regard for the conditions of eligibility described in Article II.14.1, are not identifiable as specific costs directly linked to performance of the action which can be booked to it direct, but which can be identified and justified by the beneficiaries using their accounting system as having been incurred in connection with the eligible direct costs for the action. They may not include any eligible direct costs.

By way of derogation from Article II.14.1, the indirect costs incurred in carrying out the action are only eligible for flat-rate funding fixed at 60% of the beneficiaries total eligible direct staff costs. Indirect costs need not be supported by accounting documents.

II.14.4 The following costs shall not be considered eligible:

- return on capital;
- debt and debt service charges;
- provisions for losses or potential future liabilities;
- interest owed;
- doubtful debts;
- exchange losses;
- VAT, unless the beneficiary can show that he is unable to recover it;
- costs declared by a beneficiary and covered by another action or work programme receiving a Union grant;
- excessive or reckless expenditure;

II.14.5 Contributions in kind shall not constitute eligible costs. However, the Agency can accept, in duly substantiated exceptional cases, that the co-financing of the action referred to in Article I.4.3 should be made up entirely or in part of contributions in kind. In this case, the value calculated for such contributions must not exceed:

- the costs actually borne and duly supported by accounting documents of the third parties who made these contributions to the beneficiary free of charge but bear the corresponding costs;
- the costs generally accepted on the market in question for the type of contribution concerned when no costs are borne.

Contributions involving buildings shall not be covered by this possibility.

In the case of co-financing in kind, a financial value shall be placed on the contributions and the same amount will be included in the costs of the action as ineligible costs and in receipts from the action as co-financing in kind. The beneficiaries shall undertake to obtain these contributions as provided for in the agreement.

II.14.6 By way of derogation from Article II.14.3, indirect costs shall not be eligible under a grant for an action awarded to a beneficiary who already receives an operating grant from the Union budget during the period in question.



ARTICLE II.15 – REQUESTS FOR PAYMENT

Payments shall be made in accordance with the provisions of Article I.5 of the Special Conditions and the following provisions:

II.15.1 – First Prefinancing

The first prefinancing is intended to provide the beneficiaries with a float.

Where required by the provisions of Article I.5.1 on pre-financing, the beneficiary concerned shall provide a financial guarantee from a bank or an approved financial institution established in one of the Member States of the Union.

The financial guarantee shall be drawn up in accordance with the model letter to be provided by the Agency and shall indicate that the guarantor stands as first call guarantor who shall not require the Agency to have recourse against the principal debtor (i.e. the beneficiary concerned).

The financial guarantee shall remain in force until final payments by the Agency match the proportion of the total grant accounted for by prefinancing. The Agency undertakes to release the guarantee within 60 (sixty) days following that date.

II.15.2 – Second prefinancing

By the appropriate deadline indicated in Article I.6.3, the coordinator shall submit a request for payment of the second pre-financing accompanied by the following documents:

- an interim technical implementation report of the action;
- interim financial statements of the eligible costs actually incurred, following the structure of the estimated budget, including a consolidated statement and a breakdown between each beneficiary;
- copies of bank statements showing the transfer to the co-beneficiaries of the first pre-financing paid by the Agency.

The documents accompanying the request for payment shall be drawn up in accordance with the relevant provisions in Article I.6 and the annexes. The coordinator and the co-beneficiaries shall certify that the financial documents submitted to the Agency comply with the financial provisions of the agreement, that the costs declared are the actual costs and that all receipts have been declared.

The request for payment of the second pre-financing is deemed inadmissible if at least one of the above documents is missing. Where the request for payment is inadmissible, the Agency shall inform the coordinator in writing.

On receipt of the complete set of documents, the Agency shall have 90 (ninety) calendar days in order to:

- approve the interim technical implementation report of the action and the interim financial statements and pay the second pre-financing amount;
- ask the coordinator for supporting documents or any additional information it deems necessary to allow the approval of the interim technical implementation report and/or of the interim financial statements;
- reject the interim technical implementation report and/or the interim financial statements and ask for the submission of a new report and/or financial statements.

Failing a written reply from the Agency within the time limit indicated above, the interim technical implementation report shall be deemed to have been approved. Approval of the interim technical implementation report shall not imply recognition of its regularity or of the authenticity, completeness and correctness of the declarations and information it contains.

Requests for additional information, a new report or new financial statements shall be notified to the coordinator in writing. The coordinator shall have 20 (twenty) calendar days to submit the information or new documents requested.

If additional information is requested, the time limit for scrutiny and payment of the second pre-financing amount shall be extended by the time it takes to obtain this information.

Where the interim technical implementation report and the interim financial statements are rejected, and a new report and financial statements requested, the approval procedure described in this article shall apply.



In the event of renewed request for additional information or renewed rejection, the Agency reserves the right to terminate the agreement by invoking Article II.11.3 (b).

II.15.3 – Payment of the balance

Payment of the balance, which may not be repeated, is made after the end of the action on the basis of the costs actually incurred by the beneficiaries in carrying out the action. It may take the form of a recovery order where the total amount of earlier payments is greater than the amount of the final grant determined in accordance with Article II.17.

By the appropriate deadline indicated in Article I.6.4, the coordinator shall submit a request for payment of the balance accompanied by the following documents:

- a final technical implementation report of the action;
- final financial statements of the eligible costs actually incurred, following the structure of the estimated budget, including a consolidated statement and a breakdown between each beneficiary;
- where required by the provisions of Article I.5 on payment of the balance, a certificate on the financial statements and underlying accounts produced by an approved auditor. The certificate shall certify that the costs declared by the beneficiaries in the financial statements on which the request of payment is based are real, accurately recorded and eligible and that all receipts have been declared, in accordance with the agreement;
- copies of bank statements showing the transfer to the co-beneficiaries of the second pre-financing paid by the Agency.

The documents accompanying the request for payment shall be drawn up in accordance with the provisions of Article I.6 and the annexes. The coordinator shall certify that the information provided in his request for payment is full, reliable and true. He shall also certify that the costs incurred can be considered eligible in accordance with the agreement, that all receipts have been declared, and that his request for payment is substantiated by adequate supporting documents that can be checked.

The request for payment of the balance is deemed inadmissible if at least one of the above documents is missing. Where the request for payment is inadmissible, the Agency shall inform the coordinator in writing.

On receipt of the complete set of documents, the Agency shall have 90 (ninety) calendar days in order to:

- approve the final technical implementation report of the action and the final financial statements and pay the balance of the grant;
- ask the coordinator for supporting documents or any additional information it deems necessary to allow the approval of the final technical implementation report and/or of the final financial statements;
- reject the final technical implementation report and/or the final financial statements and ask for the submission of a new report and/or financial statements.

Failing a written reply from the Agency within the time limit for scrutiny indicated above, the final technical implementation report shall be deemed to have been approved. Approval of the final technical implementation report shall not imply recognition of its regularity or of the authenticity, completeness and correctness of the declarations and information it contains.

Requests for additional information, a new report or new financial statements shall be notified to the coordinator in writing. The time limit for scrutiny shall be extended by the time it takes to obtain this information. The coordinator shall be informed of that request and the extension of the delay for scrutiny by means of a formal document. The coordinator shall have 20 (twenty) calendar days to submit the information or new documents requested.

Extension of the delay for approval of the report may delay the payment by the equivalent time.

Where the final technical implementation report and the final financial statements are rejected, and a new report and financial statements requested, the approval procedure described in this article shall apply.

In the event of renewed request for additional information or renewed rejection, the Agency reserves the right to terminate the agreement by invoking Article II.11.3 (b).



ARTICLE II.16 – GENERAL PROVISIONS ON PAYMENTS

II.16.1 Payments shall be made by the Agency in Euros. Any conversion of actual costs into Euro shall be made at the monthly accounting rate established by the Commission and published on its website applicable on the day when the payment order is issued by the Agency, unless the Special Conditions of the agreement lay down specific provisions.

Payments by the Agency shall be deemed to be effected on the date when they are debited to the Commission's account.

II.16.2 The Agency may suspend the period for payment laid down in Article II.15 at any time by notifying the coordinator that his request for payment cannot be met, either because it does not comply with the provisions of the agreement, or because the appropriate supporting documents have not been produced or because there is a suspicion that some of the expenses in the financial statements are not eligible and additional checks are being conducted.

The Agency may also suspend its payments at any time if a beneficiary is found or presumed to have infringed the provisions of the agreement, in particular in the wake of the audits and checks provided for in Article II.19.

The Agency shall inform the coordinator of any such suspension by registered letter with advice of delivery or equivalent, setting out the reasons for suspension.

Suspension shall take effect on the date when notice is sent by the Agency. The remaining payment period shall start to run again from the date when a properly constituted request for payment is registered, when the supporting documents requested are received, or at the end of the suspension period as notified by the Agency.

II.16.3 On expiry of the period for payment specified in Article I.5 and II.15, and without prejudice to Article II.16.2, the beneficiaries are entitled to interest on the late payment at the rate applied by the European Central Bank for its main refinancing operations in euros, plus 3,5 (three and a half) points; the reference rate to which the increase applies shall be the rate in force on the first day of the month of the final date for payment, as published in the C series of the Official Journal of the European Union. This provision shall not apply to recipients of a grant which are public authorities of the Member States of the Union.

Interest on late payment shall cover the period from the final date for payment, exclusive, up to the date of payment as defined in Article II.16.1, inclusive. The interest shall not be treated as a receipt for the action for the purposes of determining the final grant within the meaning of Article II.17.4. The suspension of payment by the Agency may not be considered as late payment.

By way of exception, when the interest calculated in accordance with the provisions of the first and second subparagraphs is lower than or equal to EUR 200, it shall be paid to the coordinator only upon demand submitted within two months of receiving late payment.

II.16.4 The coordinator shall have 2 (two) months from the date of notification by the Agency of the final amount of the grant determining the amount of the payment of the balance or the recovery order pursuant to Article II.17, or failing that from the date on which the payment of the balance was received, to request information in writing on the determination of the final grant, giving reasons for any disagreement. After this time such requests will no longer be considered. The Agency undertakes to reply in writing within 2 (two) months following the date on which the request for information is received, giving reasons for its reply. This procedure is without prejudice to the beneficiaries' right to appeal against the Agency's decision pursuant to Article I.9. Under the terms of Union legislation in this matter, such appeals must be lodged within 2 (two) months following the notification of the decision to the applicant or, failing that, following the date on which the applicant learned of the decision.

ARTICLE II.17 – DETERMINING THE FINAL GRANT

II.17.1 Without prejudice to information obtained subsequently pursuant to Article II.19, the Agency shall adopt the amount of the final payment to be granted to the beneficiaries on the basis of the documents referred to in Article II.15.3 which it has approved.

II.17.2 The total amount paid by the Agency may not in any circumstances exceed the maximum amount of the grant laid down in Article I.4.3, even if the total actual costs eligible exceed the estimated total eligible costs specified in Article I.4.2.



- II.17.3 If the actual eligible costs when the action ends are lower than the estimated total eligible costs, the Agency's contribution shall be limited to the amount obtained by applying the Union grant percentage specified in Article I.4.3 to the actual eligible costs approved by the Agency.
- II.17.4 The beneficiaries hereby agree that the grant shall be limited to the amount necessary to balance the action's receipts and expenditures and that it may not in any circumstances produce a profit for them.
- Profit shall mean any surplus of total actual receipts attributable to the action over the total actual costs of the action. The actual receipts to be taken into account shall be those which have been established, generated or confirmed on the date on which the request for payment of the balance is drawn up by the coordinator for financing other than the Union grant, to which shall be added the amount of the grant determined by applying the principles laid down in Articles II.17.2 and II.17.3. For the purposes of this article, only actual costs falling within the categories set out in the estimated budget referred to in Article I.4.1 and contained in Annex II shall be taken into account; non-eligible costs shall always be covered by non-Union resources.
- Any surplus determined in this way shall result in a corresponding reduction in the amount of the grant.
- II.17.5 Without prejudice to the right to terminate the agreement under Article II.11, and without prejudice to the right of the Agency to apply the penalties referred to in Article II.12, if the action is not implemented or is implemented poorly, partially or late, the Agency may reduce the grant initially provided for in line with the actual implementation of the action on the terms laid down in the agreement.
- II.17.6 On the basis of the amount of the final payment determined in this way and of the aggregate amount of the payments already made under the terms of the agreement, the Agency shall set the amount of the payment of the balance as being the amount still owing to the beneficiaries. Where the aggregate amount of the payments already made exceeds the amount of the final grant, the Agency shall issue a recovery order for the surplus.

ARTICLE II.18 – RECOVERY

- II.18.1 Where an amount, paid by the Agency to the coordinator in his capacity of recipient of all payments, is to be recovered under the terms of the agreement, the coordinator undertakes to repay the Agency the sum in question, on whatever terms and by whatever date it may specify, even if he has not been the final recipient of the amount due. In the latter case, if payment has not been made by the due date, the Agency reserves the right to recover directly the amount due from the final recipient.
- Where such an amount to be recovered under the terms of the agreement was directly paid by the Agency to a beneficiary, or if recovery is justified under Article II.12 of the agreement, the beneficiary concerned undertakes to repay the Agency the sum in question, on whatever terms and by whatever date it may specify.
- II.18.2 If the obligation to repay the amount due is not honoured by the date set by the Agency, the amount due shall bear interest at the rate indicated in Article II.16.3. Interest on late payment shall cover the period between the date set for payment, exclusive, and the date when the Agency receives full payment of the amount owed, inclusive.
- Any partial payment shall first be entered against charges and interest on late payment and then against the principal.
- II.18.3 If payment has not been made by the due date, sums owed to the Agency may be recovered by offsetting them against any sums owed to the concerned beneficiary after informing him accordingly by registered letter with advice of delivery or equivalent, or, calling in the financial guarantee provided in accordance with Article II.15.1. In exceptional circumstances, justified by the necessity to safeguard the financial interests of the Union, the Agency may recover by offsetting before the due date of the payment. The beneficiaries' prior consent shall not be required.
- II.18.4 Bank charges occasioned by the recovery of the sums owed to the Agency shall be borne solely by the concerned beneficiary.
- II.18.5 The beneficiaries understand that under Article 299 of the Treaty on the functioning of the European Union, the Commission may adopt an enforceable decision formally establishing an amount as receivable from persons other than States. An action may be brought against such decision before the General Court of the European Union.



ARTICLE II.19 – CHECKS, AUDITS AND EVALUATION**II.19.1 – TECHNICAL AND/OR FINANCIAL CHECKS OR AUDITS AND INTERIM AND/OR FINAL EVALUATIONS**

The Agency and/or the Commission may carry out technical and/or financial checks and audits in relation to the usage of the grant. It may also check the statutory records of the beneficiaries for the purpose of periodic assessments of lump sum, unit cost or flat-rate amounts.

Information and documents provided in the framework of checks or audits shall be treated on a confidential basis.

In addition, the Agency and/or the Commission may carry out interim or final evaluation of the impact of the action measured against the objective of the Union programme concerned.

Checks, audits or evaluations made by the Agency and/or the Commission may be carried out either directly by its own staff or by any other outside body authorised to do so on its behalf.

Such checks, audits or evaluations may be initiated during the implementation of the Agreement and for a period of five years starting from the date of payment of the balance. This period shall be limited to three years in case the maximum amount specified in Article I.4 is not more than EUR 60 000.

The check, audit or evaluation procedure shall be deemed to be initiated on the date of receipt of the letter of the Agency and/or the Commission announcing it.

II.19.2 – DUTY TO KEEP DOCUMENTS

The beneficiaries shall keep all original documents, especially accounting and tax records, stored on any appropriate medium, including digitalised originals when they are authorised by their respective national law and under the conditions laid down therein, for a period of five years starting from the date of payment of the balance.

This period shall be limited to three years if the maximum amount specified in Article I.4 is not more than EUR 60 000.

The periods set out in the first and second subparagraphs shall be longer if there are on-going audits, appeals, litigation or pursuit of claims concerning the grant, including the case referred to in Article II.19.7. In such cases, the beneficiaries shall keep the documents until such audits, appeals, litigation or pursuit of claims is closed.

II.19.3 – OBLIGATION TO PROVIDE INFORMATION

Where a check, audit or evaluation is initiated before the payment of the balance, the coordinator shall provide any information, including information in electronic format, requested by the Agency or by any other outside body authorised by it. Where appropriate, the Agency may request such information to be provided directly by a beneficiary.

Where a check or audit is initiated after payment of the balance, such information shall be provided by the beneficiary concerned.

In case the beneficiary concerned does not comply with the obligations set out in the first and second subparagraphs, the Agency may consider:

- (a) any cost insufficiently substantiated by information provided by the beneficiary as ineligible;
- (b) any unit, lump sum or flat-rate contribution insufficiently substantiated by information provided by the beneficiary as undue.

II.19.4 – ON-THE-SPOT VISITS

During an on-the-spot visit, the beneficiaries shall allow Commission and/or Agency staff and outside personnel authorised by the Agency to have access to the sites and premises where the action is or was carried out, and to all the necessary information, including information in electronic format.

They shall ensure that the information is readily available at the moment of the on-the-spot visit and that information requested is handed over in an appropriate form.

In case the beneficiary concerned refuses to provide access to the sites, premises and information in accordance with the first and second subparagraphs, the Agency may consider:



- (a) any cost insufficiently substantiated by information provided by the beneficiary as ineligible;
- (b) any unit, lump sum or flat-rate contribution insufficiently substantiated by information provided by the beneficiary as undue.

II.19.5 – CONTRADICTORY AUDIT PROCEDURE

On the basis of the findings made during the audit, a provisional report (draft audit report) shall be drawn up. It shall be sent by the Agency or its authorised representative to the beneficiary concerned, who shall have 30 days from the date of receipt to submit observations. The final report (final audit report) shall be sent to the beneficiary concerned within 60 days of expiry of the time limit for submission of observations.

II.19.6 – EFFECTS OF AUDIT FINDINGS

On the basis of the final audit findings, the Agency may take the measures which it considers necessary, including recovery at the time of payment of the balance or after payment of the balance of all or part of the payments made by it, in accordance with Article II.18.

Where, on the basis of an audit of other grants awarded to a beneficiary under similar conditions, the beneficiary is found to have committed systemic or recurrent errors, irregularities, fraud or breach of obligations that have a material impact on this grant, the Agency may take, within the period referred to in Article II.19.I, all measures which it considers necessary, including recovery in accordance with Article II.19 of all or part of the payments made by it under this Agreement.

In the case of final audit findings made after the payment of the balance, the amount to be recovered shall correspond to the difference between the revised final amount of the grant, determined in accordance with Article II.17 and the total amount paid to the beneficiaries under the Agreement for the implementation of the action.

II.19.7 – CORRECTION OF SYSTEMIC OR RECURRENT ERRORS, IRREGULARITIES, FRAUD OR BREACH OF OBLIGATIONS

II.19.7.1 The Agency may take all measures which it considers necessary, including recovery at the time of payment of the balance or after payment of the balance of all or part of the payments made by it under the Agreement, in accordance with Article II.18, where the following conditions are fulfilled:

- (a) the beneficiary is found, on the basis of an audit of other grants awarded to it under similar conditions, to have committed systemic or recurrent errors, irregularities, fraud or breach of obligations that have a material impact on this grant; and
- (b) the final audit report containing the findings of the systemic or recurrent errors, irregularities, fraud or breach of obligations is received by the beneficiary within the period referred to in Article II.19.1.

II.19.7.2 The Agency shall determine the amount to be corrected under the Agreement:

- (a) wherever possible and practicable, on the basis of costs unduly declared as eligible under the Agreement.

For that purpose, the beneficiary concerned shall revise the financial statements submitted under the Agreement taking account of the findings and resubmit them to the Agency within 60 days from the date of receipt of the final audit report containing the findings of the systemic or recurrent errors, irregularities, fraud or breach of obligations.

In the case of systemic or recurrent errors, irregularities, fraud or breach of obligations found after the payment of the balance, the amount to be recovered shall correspond to the difference between the revised final amount of the grant, determined in accordance with Article II.17 on the basis of the revised eligible costs declared by the beneficiary and approved by the Agency, and the total amount paid to the beneficiaries under the Agreement for the implementation of the action;

- (b) where it is not possible or practicable to quantify precisely the amount of ineligible costs under the Agreement, by extrapolating the correction rate applied to the eligible costs for the grants for which the systemic or recurrent errors or irregularities have been found.

The Agency shall formally notify the extrapolation method to be applied to the beneficiary concerned, which shall have 60 days from the date of receipt of the notification to submit observations and to propose a duly substantiated alternative method.



If the Agency accepts the alternative method proposed by the beneficiary, it shall formally notify the beneficiary concerned thereof and determine the revised eligible costs by applying the accepted alternative method.

If no observations have been submitted or if the Agency does not accept the observations or the alternative method proposed by the beneficiary, the Agency shall formally notify the beneficiary concerned thereof and determine the revised eligible costs by applying the extrapolation method initially notified to the beneficiary.

In the case of systemic or recurrent errors, irregularities, fraud or breach of obligations found after the payment of the balance, the amount to be recovered shall correspond to the difference between the revised final amount of the grant, determined in accordance with Article II.17 on the basis of the revised eligible costs after extrapolation, and the total amount paid to the beneficiaries under the Agreement for the implementation of the action; or

(c) where ineligible costs cannot serve as a basis for determining the amount to be corrected, by applying a flat rate correction to the maximum amount of the grant specified in Article I.4 or part thereof, having regard to the principle of proportionality. The Agency shall formally notify the flat rate to be applied to the beneficiary concerned, which shall have 60 days from the date of receipt of the notification to submit observations and to propose a duly substantiated alternative flat rate.

If the Agency accepts the alternative flat rate proposed by the beneficiary, it shall formally notify the beneficiary concerned thereof and correct the grant amount by applying the accepted alternative flat rate.

If no observations have been submitted or if the Agency does not accept the observations or the alternative flat rate proposed by the beneficiary, the Agency shall formally notify the beneficiary concerned thereof and correct the grant amount by applying the flat rate initially notified to the beneficiary.

In the case of systemic or recurrent errors, irregularities, fraud or breach of obligations found after the payment of the balance, the amount to be recovered shall correspond to the difference between the revised final amount of the grant after flat-rate correction and the total amount paid to the beneficiaries under the Agreement for the implementation of the action.

II.19.8 – CHECKS AND INSPECTIONS BY OLAF

The European Anti-Fraud Office (OLAF) shall have the same rights as the Agency, notably right of access, for the purpose of checks and investigations.

By virtue of Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Agency in order to protect the European Communities' financial interests against fraud and other irregularities and Regulation (EC) No 1073/1999 of the European Parliament and the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF), OLAF may also carry out on the spot checks and inspections in accordance with the procedures laid down by Union law for the protection of the financial interests of the Union against fraud and other irregularities.

Where appropriate, OLAF findings may lead to recovery by the Agency.

II.19.9 – CHECKS AND AUDITS BY THE EUROPEAN COURT OF AUDITORS

The European Court of Auditors shall have the same rights as the Agency, notably right of access, for the purpose of checks and audits.



SIGNATURES

For the Agency,

Mr Vincent BERRUTTO, Head of Unit

Date 14/2/14

Signature 

Done in Brussels, in duplicate, in English



For the coordinator,

and on behalf of the co-beneficiaries identified in the preamble of this agreement,

Mr Tamás HOFFMANN, Mayor.

Date

 
2014 MÁRC 10

Signature

Done in Budapest.....⁴, in duplicate, in English

2014 MÁRC 05

4. Insert place.



Intelligent Energy – Europe (IEE)

Annex I

Description of the Action

Full title of the project: **MLEI SOLANOVA – City of Újbuda and Pest County (HU)**

Acronym of the project: **MLEI SOLANOVA – City of Újbuda and Pest County (HU)**

Contract N°: **IEE/13/765. SI2675531**

Duration: 36 months

Coordinator:

Zoltán Kiss

EU Grants referent

Municipality of Újbuda

Bocskaiút 39-41. H-1113 Budapest

kiss.zoltan3@ujbuda.hu

+36 30 646 6226

Last revised: 10 February 2014



Table of contents

1 Summary	3
1.1 Abstract.....	3
1.2 Major outputs & expected impacts	4
1.3 Impact indicators.....	5
2 Starting point.....	6
2.1 Rationale and composition of the consortium.....	6
2.2 Geographical boundary and population concerned by the proposed action.....	8
2.3 Local strategic framework for the proposed action	8
2.4 Specific needs and barriers which the proposed action will answer to:.....	9
2.5 Previous or on-going projects which the proposed action will build on	10
2.6 State of advancement of the investment project(s).....	11
3 Objectives of the proposed action.....	12
3.1 Specific objectives of the proposed action.....	12
3.2 Strategic objectives to which the PDA will contribute.....	12
3.3 Added value of the MLEI-PDA	13
3.4 Impacts and performance indicators	14
3.5 Detailed description of the proposed investments	16
3.6 Evidence of the investments	19
3.7 Replication potential.....	19
4 Implementation method	20
4.1 Organisational innovation.....	20
4.2 Description of the investment scheme(s).....	20
4.3 Financing the proposed investments.....	21
4.4 Procurement process.....	22
4.5 Involvement of stakeholders.....	23
4.6 Capacity building.....	26
4.7 Dissemination strategy.....	27
5 Work Programme.....	30
5.1 Introduction to the Work Programme.....	30
5.2 Risk assessment.....	32
5.3 Milestones (key outputs)	33
5.4 Work Packages.....	34
WP1: Management.....	34
WP2: Survey and preliminary design	36
WP3: Building Permits, financing and procurement.....	38
WP4: Communication	41
WP5: IEE common dissemination Activities	45
5.5 Overview of Deliverables	46
5.6 Schedule of activities	48



1 Summary

1.1 Abstract

Panel buildings built by industrialized technology are an illustrative problem of Hungary and Eastern Europe. These multi-family buildings do not meet current standards because they have huge maintenance cost, out-of-date heating-system, mouldy walls and draughty windows, as well as social problems.

The main objective of the project is the integrated energy retrofit of 14 panel buildings using the SOLANOVA technique (<http://www.solanova.eu>)

14 buildings, representing typical housing estates, are targeted by the project. The project develops full energy surveys and project designs for energy-oriented renovation. The SOLANOVA system, proved to be able to reach 60-80% of energy savings for these building types, will serve as a basis for the design of the measures.

Besides technical planning and development, financing plans will be identified and developed for each building and homeowners, offering an optimal combination of private and community funding. Standardised funding schemes will be developed. Thus the implementation of the investments can be launched based on the results of the project.

Dissemination of the project results focuses on local, national and European level as widely as possible through communication activities. As the selected buildings are typical in these building types, the standardised results of the project can be easily adapted to a high number of similar buildings in the region. In this way, the project aims to serve as a basis for local programmes of great dimensions, involving the majority of the multifamily buildings in the coming years.

Table 1: General data

1	Total proposed energy investment cost ¹	20 452 136,81 EUR
2	Total of eligible costs for the PDA	657 274 EUR
3	Leverage factor ²	31
4	Territory (geographical zone) in which the investments will be implemented	Budapest area
5	Population concerned	~ 2 million people
6	Please indicate the NUTS2 and NUTS3 code (if applicable) ³	NUTS2: HU10 NUTS3: HU101, HU102

¹ Investment costs should only refer to energy investments, i.e. investments which are directly related to or required for energy savings and/or renewable energy generation. Investment costs should include VAT only for entities which cannot reclaim it.

² Total cost of (planned) investment divided by **total eligible cost** of technical assistance (Each EURO of technical assistance cost must lead to investment of at least 15 EURO.)

³ The NUTS classification list for EU27 Member States can be downloaded (version 2006-2010):

http://epp.eurostat.ec.europa.eu/portal/page/portal/nuts_nomenclature/history_nuts; For Croatia, Iceland, Liechtenstein and Norway, the list can be downloaded here: http://ec.europa.eu/eurostat/ramon/nomenclatures/index.cfm?TargetUrl=LST_CLS_DLD&StrNom=SR_33&StrLanguageCode=EN&StrLayoutCode=HIERARCHIC

For more information on the definitions of the NUTS and LAU levels, please consult

http://epp.eurostat.ec.europa.eu/portal/page/portal/nuts_nomenclature/correspondence_tables/national_structures_eu and

http://epp.eurostat.ec.europa.eu/portal/page/portal/nuts_nomenclature/correspondence_tables/national_structures_non_eu



1.2 Major outputs & expected impacts

Key outputs and deliverables

- Energy Survey Studies of selected buildings
- Survey of buildings, results of investigation
- Solutions for building engineering
- Building permit drawings for the energy efficient development
- Financial Investment Plan for each building and for each homeowner
- Communication Plan and tools (website and interlinks, brochures, articles)
- Dissemination of results: conferences and workshops, presentations in events, project brochure and result-oriented report, participation on EU dissemination events

Expected impacts

During the project

- Reduction of CO2 emission and residential primer energy costs
- Utilisation of renewable energies (solar energy)
- Improved inner climatic situation of buildings
- New jobs created
- Savings on import natural gas

Beyond project lifetime

- Flat value in multifamily buildings on housing estates increase (lower energy costs, better climatic situation)
- Decrease in summer heat load
- Physical renewal of building engineering systems (HVAC system) extends lifetime of buildings up to 15-20 years
- Improved visual appearance of cities
- The amount of regular social financial support decrease
- Dissemination of results and replication of projects makes significantly lowers the energy costs at national and European level



1.3 Impact indicators

Table 2: Impact indicators

#	Type of investment	Energy investment costs (€)	Avoided GHG emissions (tCO ₂ e/year)	Renewable energy produced (toe/year)	Primary energy savings (toe/year)	Jobs created (person.year)
1	3Szent Miklósstreet, Szigetszentmiklós (reinforced concrete panels)	875100	225	91	9580	12
2	12/2 SzentMiklósstreet, Szigetszentmiklós (reinforced concrete panels)	583400	151	60	6 380	8
3	14 SzentMiklósstreet, Szigetszentmiklós (reinforced concrete panels)	583400	148	55	6 240	8
4	54 KossuthFerenc street, Cegléd (reinforced concrete panels)	572580	149	56	6 200	8
5	52 KossuthFerenc street, Cegléd (reinforced concrete panels)	571590	147	55	6 240	8
6	47-61 Nagymező street, Vác (tunnel formwork)	1093010	281	113	11 970	15
7	63-77 Nagymező street, Vác (tunnel formwork)	1093400	282	113	11 980	15
8	12-24 HarrerPál street, Budapest, III. (reinforced concrete panels)	4112900	1 055	473	45 030	57
9	8-16 Csiki-hegyek street, Budapest, XI. (reinforced concrete panels)	2100230	540	218	22 990	30
10	1 Gazdagréti square, Budapest, XI. (reinforced concrete panels)	437890	112	46	4 440	7
11	8-13Regős street, Budapest, XI. (reinforced concrete panels)	2459990	630	255	26 800	34
12	7-11 Tűzkő street, Budapest, XI. (reinforced concrete panels)	1925210	495	200	21 070	27
13	60a-66bEtele street, Budapest, XI. (reinforced concrete panels)	2293250	610	241	23 610	33
14	39-49 Etele street, Budapest, XI. (reinforced concrete panels)	1750190	451	182	19 620	25
	Total	20452 140	5 276	2 158	222 150	287



2 Starting point

2.1 Rationale and composition of the consortium

2.1.1 Rationale

The partnership for the project consist of 2 partners: the Local Government & Municipality of District 11 of Budapest, Újbuda and the Self-Government of Pest County both of them are local authorities, municipalities. All partners share the common interest of developing methods to improve energy efficiency and the use of renewable energies in urban development.

The Local Government & Municipality of District 11 of Budapest has been chosen as Co-ordinator due to their large experience and numerous activities in the field of energy efficiency actions and in numerous European projects.

Municipality of Újbuda will be responsible for the buildings located in District XI (#9-14).

Pest County will be responsible for the buildings located in Szigetszentmiklós, Cegléd, Vác and District III (#1-8).

Subcontractors will be responsible for the building energy surveys of the selected settlements and the technical preparations. The municipalities as project partners will take the lead regarding management, financial preparation of investments, communication and dissemination. The development and organisation of public relations and public awareness raising campaigns will be supported by external communication experts.

2.1.2 List of Participants

Table 3: List of participants

N°	Participant name	Short name	Profile of the organisation	Main role in the Consortium
CO1	Local Government & Municipality of District 11 of Budapest, Újbuda	Újbuda	Local authority	Co-ordinator
CB2	Self-Government of Pest County	Pest County	Local authority	Consortium member

2.1.3 Subcontractors

Local Government & Municipality of District 11 of Budapest, Újbuda keeps a leading role in the project and manage the subcontractors. During the procurement process the applicants will observe the relevant EU and national procurement legislations.

The subcontractors will be selected following the provisions of Article II.9 of the Grant Agreement on competitive grounds on the basis of the best value for money.

In case of the planned project will be certified as a research and development programme by the Hungarian Intellectual Property Office, subcontractors will be selected through research and development procurement for the technical part of the work packages and other subcontractors will be selected through different procurement processes depending on the value of the process.

During the procurement process three different offers should be obtained and evaluated against common criteria.



Responsibilities of subcontractors:

- European project management is assured by the Lead Partner with support of an external project manager. The operational management will be carried out by external contractors. This project management team takes decisions on day-to-day management.
- For the elaboration of the Building energy survey and the Integrated Technology Plan will be sub-contracting due to the professional, technique skills which are necessary to the preparation of these task.
- For the analysis of financial schemes and funding opportunities, financial and funding experts have to be subcontracted. Subcontractor shall be experienced in the financial, investments scheme(s) and EU funding.
- The development and organisation of public relations, communication and public awareness raising campaigns, events will be supported by external communication experts and event planning company.

Table 4: Key subcontracts

#	Content of the contract	Profile and skills expected from the sub-contractor(s)
1	European project management	experience in field of project management
2	External expert (surveyor) - Elaboration of survey	experience in field of energy efficiency, energy saving, surveying and building energy
3	External expert (engineer) - Elaboration of design and Building Permit Drawings	experience in field of energy efficiency, energy saving and building energy
4	External expert (financial specialist) - Financial preparation of the investment	experience in field of financial and EU funding
5	Communication activities (web designer, event planning company)	experience in field of communication, event organisation
6	Procurement Advisory	experience in field of procurement process



2.2 Geographical boundary and population concerned by the proposed action

The project directly concerns 5300 people and 2122 dwellings in Pest County (Central Hungary): 427 flats in Budapest, 120 flats in Cegléd, 210 flats in Szigetszentmiklós, 226 flats in Vác. The adaptation of the results of the project concerns about 2 million people living in block of flats in Hungary.

2.3 Local strategic framework for the proposed action

The proposed action related national and local development and strategic programmes. Most of them include priorities connecting energy efficiency and environment protection.

We could distinguish two types of plans and programmes which are the comprehensive plans and sector-specific plan.

Comprehensive plans:

- **City Development Concept:**
Integrated Urban Development Concepts are the main tool of the urban development and climate protection strategy.
 - o **Integrated Urban Development Strategy of Budapest**
Long-term goal: modernization of the district heating and make it competitive improving operative panel programme. Social aspect of the aim is also important.
Priority 4.2.3 - Promoting the development of alternative and renewable energy systems
- **Environment Programmes:**
 - o **National Environment Programme**
Vision: Urban environment turn into more liveable and healthier with required buildings, infrastructure, services, healthy and clean environment, energy saving, low energy consumption of buildings.
5.2 Climate change – Main objectives
5.2.1.2. Energy management - Operation of financial and funding system to help increasing of energy saving and efficiency, using renewable energy sources.
 - o **Environmental Programme of the Count of Pest:** As part of the Environmental Programme one of the main objectives is a dissemination of using renewable energy sources and energy efficiency (Strategic programme 4.4.). The improvement of the financing conditions also plays an important role. (Strategic programme 4.6.) Municipalities not able to develop investment projects themselves because of lack of capital and low financing. Involving the source of funding could be the financial solution for development proposes. The programme includes “Intelligent Energy for Europe” Programme as a source for environmental protection.

Sector-specific plan:

- **Energy concept and action plan (Budapest Sustainable Energy Action Plan)**
Budapest joined to the Covenant of Mayors in 2009. By signing the memorandum of the association the city committed that it will over-fulfil the main target of the European Union’s energy policy. This means a 20% reduction in CO₂ emission until 2020 compared to the rate of 2005.
The first basic step of the Sustainable Energy Plan is the development of an inventory of principle conditions on emission that includes the data of energy



consumption especially for CO₂ adequation according to the different user quarters. The second scope of the duties is to make a monitoring inventory of emissions every second year. The third step is to define a final target of emission reduction, the estimated scale of energy consumption regarding the planned measures and interventions, and the related effects of CO₂ reduction. The SEAP intends to apply changes in the following energy consumption sectors until 2020:

- Utilization of new measures in the framework of the Climate Program
- Expected changes in the industrial sector (except ETS participants)
- Renewal of residential buildings
- Local energy production
- District heating services
- Service buildings (non-governmental)
- Municipal buildings
- Public lighting, governmental vehicles
- Public transport
- The expected development of modal split between 2004 and 2020
- Private and commercial transport

The approved Energy Action Plan includes the following main activities:

- Establishing an Energy Agency to help the institutions of the Municipality to optimize their energy purchases and audit their energy systems (the expenditures will return in the savings)
- Energy audit of the institutions of the Municipality, ongoing modernization (the expenditure will return in the savings)
- Establishing an energy monitoring system, with online solutions (single low-cost investment, low maintenance costs, efficient monitoring)
- Non-profit Energy Consultancy for residents, small and mid-sized enterprises

As part of the Budapest's energy policy the Action Plan aims to help residents achieve efficient energy management.

2.4 Specific needs and barriers which the proposed action will answer to:

There are more than 2 million people in Hungary, who are living in panel flats. Panel-rehabilitation is a very important technical, economic and social task.

Multifamily residential buildings were built by industrialized techniques(e.g. block-, cast-, tunnel-shuttered-, ferro-concrete skeleton-houses) during the socialist era represent a major consumer of energy for heating, responsible for a significant part of CO₂ emissions and external energy dependency of Hungary. Additionally, the high energy costs cause social problems for the disadvantaged groups owning and living the flats.

Despite existing technologies, no major results could be achieved during the past years to tackle this problem, for various reasons:

- no integrated, specific technology pack exists for these building types, investments are not optimised
- financing tools are not developed to meet the specific needs of the owners
- poor level of implementation or operation causes low level of savings

Owners and local communities, because of the lack of funding, knowledge and management skills, are not able to develop investment projects themselves.

Emerging problems with panel buildings:

- expensive operation



- noise, dust, air quality
- summer heat
- no balcony
- low value of the flat

The European housing stock is a major contributor to energy waste and CO₂ emission. Pollution in urban areas is often caused by old and out to date heating systems. The project promotes the implementation of appropriate measures for the energy-efficient rehabilitation of the housing stock by using more renewable energy resources. The complex rehabilitation of the panel-houses became the most important purpose.

In order to cope with the challenges of the degraded buildings, increasing energy prices, specific "Solar-Supported, Integrated Eco-efficient Renovation of Large Residential Buildings and Heat Supply Systems" technology offers solution in the field of energy efficient. The increase of energy efficiency in the building stock plays key role in reducing energy consumption, CO₂ emission, environment pollution and contribute to the implementation of more liveable buildings. In the framework of the project based on technical planning and development, financing tools will be identified and developed, offering an optimal combination of private and community funding. Standardised funding schemes will be provided for municipalities and residential which meet specific needs.

2.5 Previous or on-going projects which the proposed action will build on

2.5.1 Local projects

SOLANOVA is the first "Eco-buildings" project in Eastern Europe dealing with a "major renovation" of a large existing building. It was supported by the Fifth Framework Programme of the European Commission and it serves as a best practice example for the proper implementation of the European Union's Energy Performance of Buildings directive.

The project demonstrates how to stay within environmental limits while meeting the owners' needs.

In 2005, in the city of Dunaújváros one panel building has been transformed into a sustainable building by consequently applying the passive-house-philosophy. The building has a shop floor and seven stories with 42 flat. It was built by industrialized techniques with prodigal energy needs.

The project started with an analysing the current situation. It consisted of technical analysis, Life Cycle Assessment and social science-based survey.

The owners' opinions were integrated into the development process.

Implementation included the following elements:

- decentralized ventilation
- 75 m² solar thermal area providing heat and shade for the shops in the ground floor
- new heating system with radiators and thermostatic valves
- insulation of the cellar ceiling
- roof and wall insulation
- windows with integrated venetian blinds for shading

After the realization of the investment the heat demand reduced by more than 80%.

Benefits:

- efficient energy saving
- comfortable indoor climate in summer
- noiseless ventilation system
- better wall surface temperature



transfer to know-how from new passive houses to the degraded panel buildings.

The SOLANOVA – Dunaújváros project could be the starting point of the current MLEI-SOLANOVA project, which aims to develop an integrated model of energy-oriented renovation of selected buildings, using and upgrading the SOLANOVA technique.

The main aim of the SOLANOVA project was improving the efficiency of the (energy) eco-efficient renovation of large residential buildings by demonstrating one template (example) from Dunaújváros.

The standardised results can be adapted to similar buildings in the region, therefore the future energy efficiently investments will build on the current project.

The Village House Project in Budapest is similar to the above mentioned Dunaújváros project, except that in case of the “Faluház” were not used the SOLANOVA system. The Municipality of Óbuda-Békásmegyer joined the STACCATO project in 2005 to become the third municipality, together with Amsterdam Noord and Sofia Oborishte, to undertake a pilot project renovating selected block houses. Besides the reduction of carbon dioxide emissions, the sociological implications are also significant. The renovation of Hungary's largest residential building was started in June 2009. The building was built in 1970. Before the investment project the building had significant CO₂ emissions due to its high energy consumption. As part of the renovation individual heating system and modern plastic windows were installed, the building and roof was insulated. Within the framework of the project photovoltaic panels and two buffer containers were also installed. Positive result of the project is an increase in the value of the flats and the occupants' quality of life, reduction of CO₂ emissions as a result of better energy efficiency and the application of renewable energy sources.

The MLEI-SOLANOVA project would bring innovation to the existing practices by solving the energy efficiency issues and also social problems for the disadvantages groups of owners. It aims to develop an integrated, specific technology and model to renovate the same type panel buildings using and upgrading the SOLANOVA technique. It is also aims to identify and develop those financial tools, which meet the specific needs of the owners and offer an optimal combination of private and community funding. The planned project contributes to transfer of technology and know-how from new, energy efficient buildings to the obsolete panel houses. Since in Eastern Europe there are more than 10 million similar buildings, the project could have high replication potential and could inspire other local authorities in carrying out similar projects.

2.5.2 National and European projects

Not relevant.

2.6 State of advancement of the investment project(s)

Tasks and main outcomes regarding the proposed investment projects at the time of submission:

Table 5: State of advancement of the project

#	Task carried out	Date (month/year)	Main outcomes
1	Needs assessment:		
1.1	<i>On-site building assessment</i>	2011	<i>Accurate knowledge of the physical condition of the building structures</i>



#	Task carried out	Date (month/year)	Main outcomes
1.2	<i>Survey of the development of housing demands</i>	2011	<i>Knowledge of the exact value of flats</i>
2	Technical engineering		
2.1	Pre-feasibility study	2011-12	Knowledge of technical and economic data
2.2	Feasibility study	2012	Knowledge of technical and economic data
3	Financial engineering		
3.1	<i>Draft business plan (in house)</i>	2011	<i>Valid, but needs to be more solid (subcontracted)</i>
3.2	<i>Financial feasibility study / business plan</i>	2012	<i>The business plan was validated by the city council</i>
4	Involvement of stakeholders		
4.1	<i>Residential information events</i>	2011	<i>Consensus on the need to retrofit building stock</i>
4.2	<i>Information for local governments</i>	2012	<i>Readiness of the targeted sector to launch the investment</i>

Tasks expected to be implemented between the submission (May 2013) and the expected start of the proposed action (March 2014)

- Pre-arrangements regarding the management of the consortium
- Creation of Draft Communication Plan
- Arrangements regarding the subcontracts and experts
- Preliminary planning

3 Objectives of the proposed action

3.1 Specific objectives of the proposed action

At the end of the proposed action an integrated model of energy-oriented renovation plan will be ready for implementation on a wider scale.

The specific objectives of the proposed action are:

1. Energy survey
2. Design of the renovation projects
3. Building permit drawings
4. Financing plan per building and homeowner
5. Signing work contracts

3.2 Strategic objectives to which the PDA will contribute

- The proposed investments of the selected buildings contribute to the reduction of the external energy dependency of the concerned region
- Integrated, specific model Technology Plans are implemented
- A working financial mechanism for the renovations is implemented
- Lifetime of buildings extends
- The value of the flats increase



- Through lowering the energy costs, the PDA will contribute to the lessening of the social problems of the inhabitants
- Replication: the developed integrated model of energy-oriented renovation and standardised funding schemes could serve as a basis for programmes of greater dimensions

3.3 Added value of the MLEI-PDA

Hungarian municipalities have in general very little experience in professional strategy building and project management. Furthermore energy efficiency projects are often complicated and project managers have to handle many aspects that are extremely complex. By following a strict methodology for the preparation from the beginning there is a great chance to minimise the risks concerning the project.

It would be very difficult to finance the feasibility study “from the market”. Very few funding options exist for financing preparation actions. This IEE call is a great opportunity to kick start the investment in residential buildings.



3.4 Impacts and performance indicators

3.4.1 Specific Objectives, Key Outputs, Impacts and Performance Indicators within the duration of the action:

Table 6: Specific objectives

Specific Objective(s) of your proposal	Key Outputs (investments, services, events...) including their quantification for investments (amounts and number of projects)	WP	Impacts, with quantified targets (including energy savings, renewable energy production CO ₂ savings, and jobs)	Means of monitoring the achievement of your targets (contracts, deliverables, attendance lists...)
Preliminary design approved by homeowners	<ul style="list-style-type: none"> Building Energy survey Reports Preliminary design documentation Draft financing plans Letter of intent by homeowners associations 	WP 2	<ul style="list-style-type: none"> 14 homeowners associations validate the preliminary design 	<ul style="list-style-type: none"> Building Energy survey Reports Preliminary design documentation Draft financing plans Letter of intent by homeowners associations
Renovation projects	<ul style="list-style-type: none"> Building Permit Drawings Final Construction Drawing Finalised financial plans Decisions of assemblies of homeowners' associations Signed work contracts Standard specifications for replication to other buildings of the same typology 	WP 3	<ul style="list-style-type: none"> 5078 t CO₂/year 2 158 toe/year 222150 toe/year 2 719100 m³/year 	<ul style="list-style-type: none"> Decisions of assemblies of homeowners' associations Signed work contracts between homeowners associations and construction companies Purchase contract for the equipment and software Standard specifications
Communication and dissemination	<ul style="list-style-type: none"> Project website Brochure and final result-oriented report Local communication campaign National communication campaign European communication campaign Capacity building 	WP 4	<ul style="list-style-type: none"> Workshops for 100 operators of Municipalities Training for 20 future users of the energy monitoring system (Heating and Electricity Companies, condominiums and Homeowners associations) Training for 70 staff of construction companies 6 national events with 200 participants in average 9 e-thematic briefings, 12 news, 6 press releases, 3 professional articles 4 European events with 300 participants in average 	<ul style="list-style-type: none"> Website Result-Oriented Reports (HU, EN) Attendance sheets Attendance sheets of workshops Attendance sheets of trainings Registration sheets of conferences





3.4.2 Strategic Objectives and Long-term impacts beyond the duration of the action until 2020:

Table 7: Strategic objectives

Strategic Objective(s) of your proposal	Expected impacts by 2020
<p>The proposed investments of the selected buildings contribute to the reduction of the external energy dependency of the concerned region</p> <p>Integrated, specific model Technology Plans are implemented</p>	<ul style="list-style-type: none"> ▪ Import natural gas consumption reduces 2 719 100 m³/year ▪ Yearly cost saving per dwelling due to the increasing of energy efficiency at national level: 3 136 000 EUR/year ▪ Yearly cost saving per dwelling due to the increasing of energy efficiency at European level: 15 680 000 EUR/year
<p>A working financial mechanism for the renovations is implemented</p> <p>Lifetime of buildings extends</p> <p>The value of the flats increase</p> <p>Through lowering the energy costs, the PDA will contribute to the lessening of the social problems of the inhabitants</p> <p>Replication: the developed integrated model of energy-oriented renovation and standardised funding schemes could serve as a basis for programmes of greater dimensions</p>	<div style="text-align: center; font-size: 2em; margin-bottom: 10px;">↑</div> <ul style="list-style-type: none"> ▪ 77 104 000 EUR invested in retrofitting at national level ▪ 385 520 000 EUR invested in retrofitting at European level ▪ Lifetime of buildings extends up to 15-20 years ▪ Value of retrofitted flats increased by 10% ▪ The amount of the regular social financial support decrease by 5-10% ▪ Renovated dwellings at national level (expected): 8 000 flats ▪ Renovated dwellings at European level (expected): 40 000 flats



3.4.3 IEE Common performance indicators:

Table 8: Common performance indicators

Overall objective	Target within the action duration :	Target by 2020:
To contribute to the EU 2020 targets on energy efficiency and renewable energy sources	<ul style="list-style-type: none"> ▪ 20 452 136,81 Euro invested in sustainable energy 	<ul style="list-style-type: none"> ▪ 365 216 729 Euro invested in sustainable energy (c.a. 250 buildings – it means ca. 16 500 dwellings - will replicate the renovation by 2020)
	<ul style="list-style-type: none"> ▪ 222 150 toe/year primary energy savings compared to projections 	<ul style="list-style-type: none"> ▪ 3 967 000 toe/year primary energy savings compared to projections
	<ul style="list-style-type: none"> ▪ 2 158 toe/year renewable energy production triggered 	<ul style="list-style-type: none"> ▪ 38 540 toe/year renewable energy production triggered
	<ul style="list-style-type: none"> ▪ 5276 t CO₂/year reduction of greenhouse gas emissions 	<ul style="list-style-type: none"> ▪ 94 220 t CO₂e/year reduction of greenhouse gas emissions
	<ul style="list-style-type: none"> ▪ 287 jobs created by the investments (measured in person/year) 	<ul style="list-style-type: none"> ▪ 5 100 jobs created by the investments (measured in person/year)

3.5 Detailed description of the proposed investments

3.5.1 Ambition of the investments

The selected buildings for the implementation of the project are typical 11-storey dwellings of industrialised technologies built with panel, tunnel formwork system or reinforced concrete panels. Selected buildings could serve as model houses in the future as they are presented in a large scale on the housing estates of District 11, Budapest. Some renovation has already been implemented on these buildings (window replacement and heating control in separate apartments) but not on the basis on particular technological plans or calculations so therefore it is appropriate to implement full renovation of the model houses based on standardised and thoughtful energetic calculations.

The elimination of thermal bridges and the summer sun protection is very important. The artificial heat recovery ventilation is a novelty in the respect of indoor air quality and physical reservation of the buildings; it has not been incorporated anywhere else.

The complete reconstruction of heating systems is very important as measuring heat quantity per dwellings itself results in energy savings. Additionally, the physical renewal and modernisation of the 30-40 years old heating systems is realized. Summer sun protection also incorporated so the inner climatic situation of flat improves. We use solar energy to generate electricity and produce hot water. After implementing the complex activities formerly described, the average energy savings rate could be over 70%.

3.5.2 Information on investments on buildings

Regarding the basis of the project highly complex investments should be implemented on buildings in order to reach the targeted energy saving level of 70% or more. The required



activities per investment concerns only energy saving measures (excludes general refurbishment) and addresses the envelope of the buildings also, not only the heating and the cooling system. The activity is highly effective because of the complexity of the applied energy-saving instruments. A complete thermal insulation, the replacement of all windows and doors, elimination of thermal bridges, the complete reconstruction of heating systems, overall summer sun protection, heat recovery ventilation and the use of renewable solar energy is realised. RES electricity generated by solar panels will not be fed into the grid but will be consumed on the site by the inhabitants.

Expected energy consumption before and after the proposed actions

#	Type of buildings	Level of energy performance		Estimated energy savings (%)
		BEFORE the proposed actions	AFTER the proposed actions	
1	3Szent Miklósstreet, Szigetszentmiklós (reinforced concrete panels)	G	A+	70
2	12/2 SzentMiklósstreet, Szigetszentmiklós (reinforced concrete panels)	G	A+	72,3
3	14 SzentMiklósstreet, Szigetszentmiklós (reinforced concrete panels)	G	A+	71,6
4	54 KossuthFerenc street, Cegléd (reinforced concrete panels)	G	A+	81,4
5	52 KossuthFerenc street, Cegléd (reinforced concrete panels)	G	A+	81,4
6	47-61 Nagymező street, Vác (tunnel formwork)	G	A+	74,7
7	63-77 Nagymező street, Vác (tunnel formwork)	G	A+	74,7
8	12-24 HarrerPál street, Budapest, III. (reinforced concrete panels)	F	A+	75
9	8-16 Csiki-hegyek street, Budapest, XI. (reinforced concrete panels)	F	A+	76
10	1 Gazdagrétisquare, Budapest, XI. (reinforced concrete panels)	F	A+	74
11	8-13Regős street, Budapest, XI. (reinforced concrete panels)	F	A+	75
12	7-11 Tüzkő street, Budapest, XI. (reinforced concrete panels)	F	A+	76
13	60a-66bEtele street, Budapest, XI. (reinforced concrete panels)	G	A+	75
14	39-49 Etele street, Budapest, XI. (reinforced concrete panels)	F	A+	74



Table 9: Investments on buildings

Below is a preliminary list which may change during the project; buildings could then be replaced by other panel buildings in order to keep the level of investment.

#	Type of buildings	Total gross surface (m ²)	Current energy consumption (kWh/m ² .a)	Estimated savings (%)	Average GHG emissions in CO ₂ e/m ² .a	Estimated CO ₂ reduction (%)	EE and RES measures (summary)	Expected payback time (years)	Total energy investment costs (€/m ²)	Total energy investment costs (€)
1	3 SzentMiklós street, Szigetszentmiklós	3,956	305	70	225	78,6	Improvement of the building shell (windows, thermal insulation) Ventilation via heat-exchange modules Sun-collectors and PV panels	7-8	200	875,100
2	12/2 SzentMiklós street, Szigetszentmiklós	3,956	305	72,3	151	72,4		7-8	200	583,400
3	14 SzentMiklós street, Szigetszentmiklós	3,956	305	71,6	148	73,2		7-8	200	583,400
4	54 KossuthFerenc street, Cegléd	3,521	204,3	81,4	149	82,9		7-8	200	572,580
5	52 KossuthFerenc street, Cegléd	3,521	204,3	81,4	147	82,9		7-8	200	571,590
6	47-61 Nagymező street, Vác	6,063	242	74,7	281	78,3		7-8	185	1,093,010
7	63-77 Nagymező street, Vác	6,063	242	74,7	282	78,3		7-8	185	1,093,400
8	8-16 Csiki-hegyek street, Budapest, XI.	12,760	233	76	540	81,1		7-8	190	2,100,230
9	12-24 HarerPál street, Budapest, III.	23,620	242	75	1 055	82,4		7-8	170	4,112,900
10	1 Gazdagrétság square, Budapest, XI.	2,592	265	74	112	82,3		7-8	190	437,890
11	8-13 Regös street, Budapest, XI.	13,640	233	75	630	81,2		7-8	190	2,459,990
12	7-11 Tűzkő street, Budapest, XI.	10,582	225	76	495	79		7-8	195	1,925,210
13	60a-66b Etele street, Budapest, XI.	17,433	242	75	610	83,2		7-8	175	2,293,250
14	39-49 Etele street, Budapest, XI.	21,510	237	74	451	83,5		7-8	175	1,750,190
	Total	133 173	249	-	5 276	79,95		-	-	20 452 140

3.5.3 Definition of the eligible investment costs:

The amount of the investment costs corresponds to the sum of:

- a) the investment occurred during the duration of the project;
- b) the investment corresponding to the contracts signed during the duration of the project, which will be implemented in a period of maximum 3 years after the end of the project;

Each contract must clearly identify the investment costs

Investment costs should only refer to **energy investments**, i.e. investments which are directly related to or required for energy savings and/or renewable energy generation. Other measures, i.e. investments which will be carried out but are not related to nor required for energy savings and/or RE generation, should not be included in the proposed investments. For example, in a building refurbishment, energy costs could include changing windows, painting the façade after it has been insulated, but not painting the hallways or changing the bath tub.

Maintenance costs cannot be included in the investment costs, in the case of a contract associating works and maintenance.

3.6 Evidence of the investments

Table 10: Evidence of the investments

#	Type of investment	Evidence of the investment	Actor issuing the document	Deliverables
1	Renovation works	Signed contracts between homeowners associations and construction companies	Homeowners association	D3.7
2	Energy monitoring system	Purchase contract for the equipment and software	Homeowners or municipality / county.	D3.8

3.7 Replication potential

In Hungary there are 4 390 302 flats (2011). The total number of panel and other buildings built with industrial techniques is about 800 000 flats in residential buildings that could be targeted by SOLANOVA project. The total number of residence living in panel and other buildings built with industrial techniques is about 2 million people.

In Eastern Europe there are about 34 million flats and 100 million people living in them. But SOLANOVA's findings may be easily transferred to the large stock of Western European panel buildings and to any other kind of large residential buildings too in countries like Romania, Slovakia, Poland, Czech Republic, Austria and Slovenia. The building stock in the East European states is still characterised by a huge need for rehabilitation, particularly in terms of energy and environmental-technical aspects.



4 Implementation method

4.1 Organisational innovation

There is a process-oriented innovation, involving municipalities and building users. Innovative financial schemes and funding opportunities at local, regional, national and EU level will be identified to ensure sustainable implementation.

In the framework of the Work Package 3 there will be collected different available sources and instruments to elaborate the future investment. This includes the analysis of requirements, procedures and target groups of existing financing instruments. The development of the financing concepts will be assisted by Pest County and external experts. Beside the 40% own contribution of residential and 40% state/local government support remaining loan (241 Euro/year) will be covered by using credit interest and other incremental costs.

SOLANOVA/HU Energy Efficiency Cluster was founded by Budapest University of Technology and Economics in order to develop new energy efficient techniques, systems, component by using targeted research and development based on the experience of SOLANOVA technology. Cluster also aims to develop and disseminate the passive house technology and grant and loan schemes to finance buildings' modernization. Cluster's operation facilitates and supports the National Building Energy Efficiency Program. County of Pest cooperates with the Cluster and supports achieving targets. This collaboration could mean the basis of the common dissemination and replication strategy of the project results.

4.2 Description of the investment scheme(s)

4.2.1 General investment scheme

In case of current project the possible methods of investment were examined.

Regarding on the technical content of the project and social situation of the residential, there are no general solution

Implementation of investment could be ensured by the combination of different types of financing items instead of the general investment scheme.

Element's rate will be identified, created and finalized during the preparation of the project.

Based on the previously process the following elements could be useful:

- Direct contribution of the owners. Based on the preliminary survey 40% of the estimated project cost are available for owners and houses. In case of the latter investment will be implemented through Reconstruction Fund".
- Some municipalities would bring support for energy-efficiency investment through local fund.
- Hungarian state currently provides financial support to the building energy investments through the Green Investment Scheme.
- Aim of the Hungarian state is to finance building energy investments from ERDF Funds between 2014 and 2020. The state supports the funding of the panel buildings' modernization through the Hungarian Development Bank by reduced loans. The possible form of financing is the ELENA which provides loans for local and regional authorities with mediation of public or private financial institutions in order to the energy-efficiency investments could be feasible.



- There are some possible ESCO's which interesting in participation related to the financing and operation of the renewed panel buildings after appropriate financial and professional preparation. There are opportunities to involve the European Energy Efficiency Fund (EEEF) into financing which was operated by Deutsche Bank. The Fund undertakes participation in "senior" and "junior" loans, guarantees and equities implemented by state or governmental bodies, public bodies or ESCO's and their final beneficiaries could be municipalities and local and regional authorities. In case of direct investment the projects will be implemented by state or governmental bodies, public bodies or ESCO's or through local bank, leasing companies, financial intermediaries.

Based on the previously estimation and due to the large-scale energy savings (70%) and due to high energy prices the amount of funding is a relative rapid return investment.

Depending on the financial situation of the house, residential and municipality there are several financing scheme.

4.2.2 Actors involved and responsibilities

Actors	Responsibilities
<i>Owners / residential communities</i>	<i>Providing 40% own contribution through „Reconstruction Fund”.</i>
<i>Municipalities</i>	<i>Providing grant funds through municipal energy efficiency programs.</i>
<i>Hungarian State / Government</i>	<ul style="list-style-type: none"> a) <i>Grant applications for investments using ERDF funds (between 2014-2020)</i> b) <i>Investment support through the Hungarian Green Investment Scheme (GIS) (ETS, EDS, etc quota revenues)</i>
<i>Hungarian Development Bank</i>	<i>Project pre-financing and providing reduced loans.</i>
<i>Private equity / ESCO / District Heating Companies</i>	<i>Part-financing related to the operation which returns on saving.</i>

4.2.3 Legal aspects

- a) In case of Hungarian state support or EU funding (ERDF, GIS) project acceptance and payment based on strict Grant Agreement approved by EU and performed indicators.
- b) The Hungarian Development Bank and commercial banks will be contracted with project owners for a loan agreement.
- c) ESCO's will be contracted with municipalities and buildings for „operating contract” for 5-10 years. In frame of the contract the energy services will be provided by using fixed priced.

4.3 Financing the proposed investments

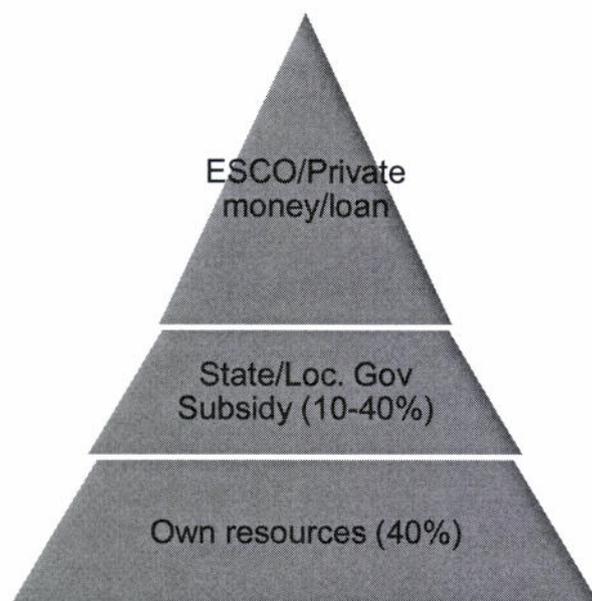
4.3.1 Financing structure

The investment project will be implemented by using bank loans (MFB Hungarian Development Bank, commercial banks) which covers as guarantees.

The municipalities will complement that by non-repayable aid through post-financing. The remaining amount will covered by using 5-10 years bank loan or ESCO Company involved in the building operation. In case of the later option there are opportunities to involve the



European Energy Efficiency Fund (EEEF) into financing which was operated by Deutsche Bank.



4.3.2 Financial sustainability

There could be implemented several model for financing. The following table shows the financial sustainability of the investment using 300 HUF/EUR exchange rate in case of a 55 m² panel dwelling.

<i>Number of dwellings</i>	2122
<i>Investment volume</i>	20 452 136 Euro
<i>Investment cots per dwelling</i>	9 638 Euro
<i>Own contribution (residential = 40%)</i>	3 855 Euro
<i>State/local government support = 40%</i>	3 855 Euro
<i>Financing provided by third parties for 8 years per year and dwelling</i>	241 Euro
<i>Energy bill (heating) per year and dwelling</i>	560 Euro
<i>Target saving</i>	70%
<i>Yearly cost saving per dwelling due to the increasing of energy efficiency</i>	392 Euro

Beside the 40% own contribution of residential and 40% state/local government support remaining loan (241 Euro/year) will be covered by using credit interest and other incremental costs through achieved energy savings (392 Euro/year) and **can be repaid over a maximum of 8 years. Public engagement will be necessary in financing.**

4.4 Procurement process

The subcontractors will be selected following the provisions of Article II.9 of the Grant Agreement on competitive grounds on the basis of the best value for money.

During the procurement process the applicants will observe the relevant EU and national procurement legislations.



In case the planned energy survey and Building Permit Drawings will be certified as a research and development programme by the Hungarian Intellectual Property Office, subcontractors will be selected through research and development procurement for the technical part of the work packages and other subcontractors (project management, financial specialist, Procurement Advisory, Surveyor, web designer etc.) will be selected through different procurement processes depending on the value of the process.

The SOLANOVA technique is an innovative technology of the refurbishment which significantly increases the energy efficiency. Based on the preliminary consultation with the Hungarian Intellectual Property Office, they confirmed that it could be a research and development project. The classification is in progress.

The procurement will be through a negotiated procedure with publication under which the authority must advertise on the TED website to find suitable contractors to negotiate with. The contractor must select firms based upon predetermined criteria, and choose the winner through negotiations. The process for selecting the winner is not regulated. The procedure can only be applied in specific circumstances where specifications cannot be drawn up with sufficient precision for formal tendering under the open or restricted procedures; (ii) for works carried out for research, experiment, or development and (iii) in exceptional cases where overall pricing is not possible, either because of the nature of the works, supplier, or services, or because of the risks of performance (Art. 30). This is the standard procedure under the utilities directive and can be applied without restrictions by those entities.

Open procedure is by default the general procedure and can be chosen for any contract (Art.28).9 Under the open procedure, the purchaser (i) must establish clear specifications as the basis for submission of bids, (ii) must advertise the contract in the Official Journal, (iii) must allow any interested firm to submit a bid and (iii) must evaluate the bids, as received, without entering into negotiations. Minimum time limits are provided and generally firms shall be given 52 days to submit bids.

Table 11: Procurement process

#	Object of the procurement	Foreseen procedure	Expected duration (months)
1	Service contracts <ul style="list-style-type: none"> - management - financial plan - communication activities 	<ul style="list-style-type: none"> - 3 bids procedure - Open procurement - Negotiated procedures 	Implementation of the procurement process: 2 months
2	Work contracts	Open procurement procedures	Implementation of the procurement process: 2 months

4.5 Involvement of stakeholders

4.5.1 Final beneficiaries

The final beneficiaries (also regarded as end-users) are the involved condominiums which will get technical and financial documentation for the start and implementation of investments. The involved condominiums are already committed to realising the investments, and have jointly agreed with the municipalities (Újbuda, Pest County) in the framework of current grant scheme. Upon elaboration of the building permit drawings and finalised financial plans, the municipalities will hand over for the condominiums these elaborated building permit drawings plans and financial plans related to panel buildings (D3.3 Decisions of General Assemblies of homeowners associations). Right after this the condominiums will start with the building permission procedure and, in parallel, apply for the state and

governmental non-repayable investment grants. After successful applying they will launch the public procurement procedures still during the project implementation period.

4.5.2 Investors

The final investment decision will be taken by the condominium in strong cooperation with the municipalities (D3.3 Decisions of General Assemblies of homeowners associations). The Condominiums will be the investors after the successfully completed public procurement procedure. They will be supported by professionals from the municipalities in both the public procurement procedures and investment.

ESCOs

The investment will be co-financed by Energy Service Companies (ESCOs) which will be professionally responsible for the saving and responsible for providing energy services. Currently there are several ESCOs in Hungary. The appropriate ESCO company will be selected through public procurement and this company will sign an energy performance contract with the buildings.

4.5.3 Financing institutions

After the successful public procurement procedure by the condominiums, the MFB Hungarian Development Bank will be participating in financing the investments of the Condominium. The Bank is aware of the contents of the project and supports the project idea.

4.5.4 Other key actors

Budapest University of Technology and Economics Faculty of Architecture and Building Energy Department have an experience in assessing and planning of similar panel buildings. Their participation provides professional guarantees toward government and municipalities as well as financiers on appropriation of the technical content of buildings energy reconstruction and achieving the promised energy saving, realization of returned calculations and repayments.



4.5.5 Overview: engagement of stakeholders
Table 12: Engagement of stakeholders

	Role in launching the investment	How do you ensure that they will play their role?	Key task(s) from your programme	Name and description of providing a Letter of Support	organisation(s)
1) Final beneficiaries					
– Residential condominiums	The condominiums will apply for state and local non-refundable investment support.	Engagement at all stages	Task2.4 Task3.3	-	
2) Investor(s)					
– Residential condominiums	40% own contribution of residential	Engagement at all stages	Task2.4 Task3.3		
3) Financing institutions					
– MFB Hungarian Development Bank	After the successful tendering process it would be participating in a project financing	Detail	Task2.3 Task3.2	MFB Hungarian Development Bank	
4) Other key actors					
– Municipalities	40% local government support	Project partners	all Tasks		

4.6 Capacity building

Table 13: Capacity building

#	Targets	Content	Approach to build capacity	Number of persons reached
1	Professionals within local municipalities and county municipalities - both from project partner organisations (Ujbuda and Pest County) and from other Hungarian local municipalities' and county municipalities' organisations	Increased capacity to generate and implement deep renovation projects of panel buildings	Learning on the job	30
2	Building companies	Improving capacity to use the generated project results for future building retrofitting investments	Training sessions	70
3	Future users of the energy monitoring system: Heating and Electricity Companies, condominiums and Homeowners associations	Use of the energy monitoring system	Training sessions	20



4.7 Dissemination strategy

#	Targets	Content / message	Tools	Number of persons reached
1	Mayors of the District Municipalities of Budapest	Information about project results and raising interest in replicate them, focus on local policy making	Presentations in regular meetings of the Association of the District Municipalities of Budapest Project brochure and result-oriented report E-thematic briefings	30
2	Municipal technicians in Hungary	Information about project results and details on how to replicate them, focus on supporting local condominiums in generating and implementing investments	Training sessions Presentations in events Project brochure and result-oriented report	300
3	Professional sector: engineers, architects, district heating companies	Information about project results and how to replicate it, focus on the technical aspects	Contact list of district heating companies Presentations in events Project brochure and result-oriented report	300
	Professional sector II.: Construction Entrepreneurs	Information about project results and how to replicate it, focus on the technical aspects	Professional journals Presentations in events (e.g. Federation of district heating companies) Project brochure and result-oriented report Technical documents: tender specifications, etc.	100
4	Condominiums in Újbuda and Pest County	Information about project results and how to replicate it, focus on raising awareness	Local newspapers Leaflets in staircases Working group of condominium representatives	4,000

#	Targets	Content / message	Tools	Number of persons reached
5	Young engineers and building architects in universities and colleges	Information about project results and how to replicate it	Presentations in events in Universities and Colleges throughout the Country Project broadsheets	300
6	Journalists / opinion leaders	Information about project results and how to replicate it	Presentations in events Project brochure and result-oriented report Working breakfast for journalists	30
7	Decision makers and representatives of governmental authorities	Information about project results and how to replicate it	Presentations in events Project brochure and result-oriented report	15
8	European Parliament (relevant comity members, who were actives in building policy sector)	Information about project results and how to expand and replicate them at European level.	EU dissemination event Via a presentations in an event organized by working groups	100
9	Other European cities (in particular Central and Eastern Europe)	Information about project results and how to replicate it, focus on national policy making	Presentations in events organised by Covenant of Mayors, potential cities and municipalities networks of local authorities Twin cities European portals (ManagEnergy) e-thematic briefings informs and leads up the Mayors of European Cities (especially twin cities) to the website to learn the detailed project	300
10	Opinion leaders - business men, politicians, professors	Information about project results and how to replicate it	Presentations in the Újbudai Business Club event, round table conversation, Project brochure and result-oriented report	50



#	Targets	Content / message	Tools	Number of persons reached
11	Associations of Municipalities of Budapest and the Municipality of Capital	Information about project results and how to replicate it	e-thematic briefings informs and leads up the Associations of Municipalities of Budapest and the Municipality of Capital to the website to learn the detailed project	100
12	Residents of 11th district	Information about project progress and results	Report about the progress of the project placed on an independent sub-page of the homepage of the Municipality of Ujbuda (project leader) Article about the progress of the project placed on Ujbuda Magazine (local) 2 times a year (3 year)	70,000
13	Citizens from Hungary	Information about project progress and results	Article about the progress of the project placed on daily or weekly newspapers	15,000
14	Notaries of cities	Information about project progress and results	Placing project information materials on the Conference of Notaries of Cities of Hungary	100

3072

5 Work Programme

5.1 Introduction to the Work Programme

5.1.1 Rationale and structure of your work programme:

Project management(WP1)

Reporting will be assured by an external Project Manager in joint cooperation with Project Coordinator. A Project Committee will be set up for monitoring and external communication of developed policies and it will be chaired by the external Project Manager and Project Coordinator. During the whole project, meetings will be organised in order to discuss the results of the current phase of the project and the next steps. Participants could discuss what the Consortium has done and whether the project activities are progressing according to plan. All partners will present their activities and highlight the key steps for the future.

Energy surveys and preliminary designs(WP2)

An energy survey will be elaborated for all 14 selected panel buildings. The surveyor will develop a list of energy conservation measures that could reduce energy usage and costs in panel buildings. In case of these types of buildings the first step is to find how to reduce the energy consumption. The survey can be carried out through calculating the amount of heat which is lost through the building, using a thermal imaging camera to identify where heat is lost from a building, measuring the amount of electricity consumed by individual appliances, and doing a survey of all electric appliances in the building, analysing past electricity and heating bills - this allows us to validate the findings from the other steps and provides a longer-term pictures. For the physical project implementation a well-developed plan is necessary.

In this work package preliminary design will be elaborated based on the survey.

After that a draft financing plan per building and homeowner will be developed which should be validated by homeowners.

The project documents (energy survey, preliminary design, payback calculation and the preliminary construction costs) will be introduced to the owners or the representatives of the owners (either it is Condominium or Homeowners Association). They have to adopt and permit the further work phase.

Permits, financing and procurement (WP3)

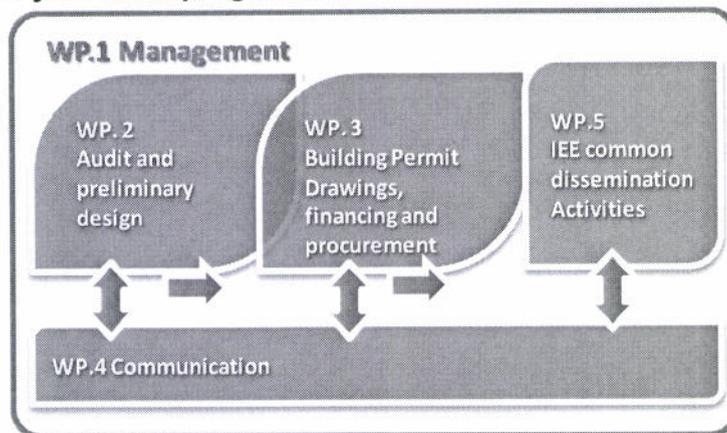
This will be based on the WP2. The building permits will be obtained based on the approved preliminary design. The finalised project and financial plan will be presented to homeowners for validation. The works specifications will then be finalised. The works will be tendered and contracts will be signed.

Communication (WP4)

Local communication will contribute to the implementation of the investments. With the start of the project, a communication plan will be set-up. Dissemination of the project results is focusing on local, national and European level as widely as possible through communication activities. Ensure wider project promotion of output and results using communication tools.



5.1.2 Flow chart of your work programme:



5.1.3 Governance of the project

The Consortium consists of the Local Government & Municipality of District 11 of Budapest and the County of Pest. All partners share the common interest of developing integrated technology and financial model for selected panel buildings which also could be the basis of the future energy efficiency EU funding.

Steering Committee provides strategic control and decision-making, supervise project implementation and progress, reviews and approves financial and progress reports before submission.

Project management team is responsible for the efficient and professional delivery of the project and for appropriate and timely project administration. Collects the necessary data and prepares progress and financial reports.

Project coordination will be ensured through the cooperation between the internal staff within the project partner organisations assigned to the project (the Project Coordinator among them) and selected external consultants with experience in international project management. The reason for this is that the Municipalities have limited capacity to coordinate the whole project therefore they are planning to involve external experts..

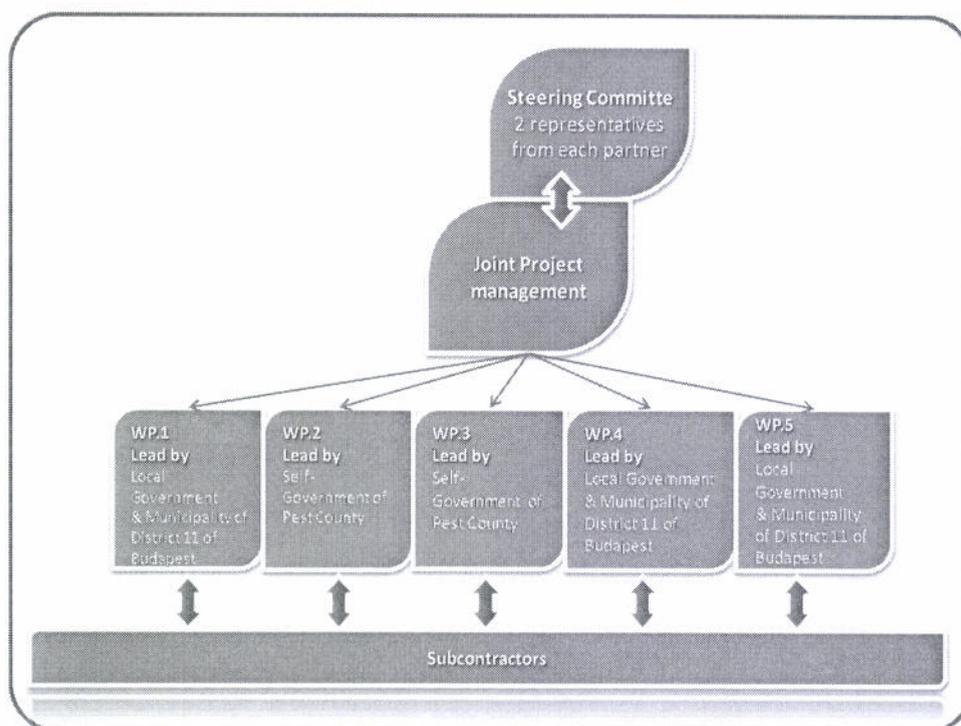
There are several activities for achieving the project results, which cannot be done by consortium partners themselves. The consortium will be complemented by the **subcontractors**. The elaboration of the Building energy survey for all participating panel buildings will be sub-contracted. Furthermore, subcontractors will also be needed for the implementation of the Building Permit Drawings for all participating panel buildings, identifying and developing the financing tools, offering an optimal combination of private and community funding.

The procurement of external expert, preparation of the events (conferences, workshops), website operation will be assisted by subcontractor.

The appropriate communication between stakeholders is necessary during the entire period of the implementation. As a Leader of the Consortium, Local Government & Municipality of District 11 of Budapest will take the overall responsibility regarding the implementation of the project. Communication with the EASME will be channelled by the Leader who will take care of the further internal distribution and allocation of information. Regular meetings will be held with the Consortium members to discuss the process of the project implementation. The operation of the Steering Committee and Joint Project management based on the elaborated Management Plan which will be developed in WP1.

The following figure shows the network and links between work packages and actors:





5.2 Risk assessment

Table 14: Risk assessment

#	Description of the risk	Mitigation actions	Tasks in work programme
1	Appropriate co-operation among the partners will not come off	Strict control of the implementation by the stakeholders, a well functioning compliance mechanism, active joint communication strategy during the whole project	T1.3, T1.5, T1.6
2	Participants have poor experience in implementation of EU financed projects	Selection of the most appropriate project-management group	T1.4
3	Scoreless public procurement process(es)	Selecting and cooperating with procurement expert, adequate professional preparation of the process	T1.9
4	The motivation and capacity of the property owners, residents etc. to invest in energy efficient rehabilitation measures	Well-developed investment model and appropriate dissemination of the results and method	T4.1, T4.2, T5.7
5	The involvement and support of the various concerned departments are not appropriate	Well-developed management and communication plan	T4.1, T4.2, T5.7
6	The availability of appropriate financing instruments for energy efficient rehabilitation measures	Well-developed investment model, standardized standardised funding schemes, and useful credit constructions	T4.1, T4.2



5.3 Milestones (key outputs)

Milestones are the key deliverables which enable to follow the advancement of the project. Delay in achieving the milestones endangers the realisation of the objectives of the project.

Should the consortium fail to provide the below described evidence at the month of submission, the EASME may decide to terminate the agreement or the participation of one or several beneficiaries in the action on the basis of Article II.11.3 b) of the Grant Agreement.

Table 15: Milestones

#	Description	Indicator(s)	Related deliverable	Month
M1	<i>Preliminary design for buildings</i>	<i>Preliminary design</i>	<i>D2.2</i>	<i>16</i>
M2	<i>50% of general assemblies of homeowners have given their agreement to the preliminary project</i>	<i>Letters of intent by homeowners</i>	<i>D2.4</i>	<i>18</i>
M3	<i>Building Permit Drawings for buildings</i>	<i>Building Permit Drawings documentation</i>	<i>D3.1</i>	<i>25</i>
M4	<i>Final Construction Plan for buildings</i>	<i>Final Construction Plan documentations</i>	<i>D3.2.</i>	<i>27</i>
M5	<i>Finalised Financing Plans for buildings and homeowners</i>	<i>Finalised Financing Plans documentation</i>	<i>D3.3.</i>	<i>28</i>
M6	<i>Validation of final projects by all general Assemblies of homeowners association</i>	<i>Letter of intent by homeowners</i>	<i>D3.4</i>	<i>30</i>
M7	<i>Work contracts are signed for all buildings</i>	<i>Signed contracts</i>	<i>D3.8</i>	<i>35</i>
M8	<i>Building Type Drawings</i>	<i>Building Type Drawings documentation</i>	<i>D3.10</i>	<i>36</i>



5.4 Work Packages

WP1: Management

N° of work package: 1	Management
Duration in months: 36	Local Government & Municipality of District 11 of Budapest, Újbuda

I. Description of the work:

a) Overview of the work package:

The day-to-day management of the project will be assured by the Municipality of Újbuda.

Steering and Project Committee will be set up for monitoring and external communication of developed policies and it will be chaired by the Co-ordinator.

The Project Coordinator and external project manager responsible for ensuring the fulfilment of the goals of the project within the time and budget constraints; project planning and scheduling; internal and external reporting and documentation; organisation of kick-off and end meetings of the project; financial management and liaison with the JTS.

For the reporting, each partner is responsible to provide the required information. Project coordination will be elaborated through the cooperation between project partners.

At the beginning of the project, the Co-ordinator will develop the common management plan including the responsibilities and the project management structure.

During the whole project meetings will be organised in order to discuss the results of the current phase of the project and the next steps. Participants will discuss what the Consortium has done and whether the project activities are progressing according to plan. All partners will present their activities and highlight the key steps for the future.

b) Tasks

Task1.1 Development of management plan and project management structure

Within the task the management will develop a management plan to allocate the responsibilities between the internal and external project management in order to identify the relevant task and time schedule for each participants.

1 management plan will be prepared

Task1.2 Reporting to the EASME (progress reports and final report)

The progress and final report will document what the Consortium has done. Reporting tasks will be carried out by the Coordinator and Project Manager.

2 progress reports, an interim report and 1 final report will be prepared.

Task1.3 Organisation and mediation of Steering and Project Committee meetings

Discussion will be organised for the Partners including stakeholders, experts, project management team. The work performed will be discussed as well the next steps. All partners will present their activities and highlight the key steps for the future. Work package leaders should give their perspective regarding the work already done and the next steps that have to be taken.

Task1.4 Progress Monitoring and Risk management

Performance monitoring includes the regular updating of the schedule of activities per bundle. A short report will be submitted to the EASME every 6 months to describe the advancement of activities and deliverables. A template for this report will be provided by the EASME. This report will be additional to the normal project reporting.

Co-operation with the 4 municipalities in Pest County (Municipality of Vác, Municipality of Cegléd, Municipality of Szigetszentmiklós and Local Government & Municipality of District 3 of Budapest, Óbuda-Békásmegyér) on which the targeted buildings are located will be organised through



a memorandum of understanding between Pest County and each municipality at the beginning of the project.

II.a. Outputs of this work package:

- O1.1: Project management team is set up
- O1.2: Agreed terms for project implementation
- O1.3: Project management meetings are organized

II.b. Deliverable(s) of this work package:

- D1.1 Management Plan
- D1.2 Performance monitoring report with updates every six months
- D1.3 Minutes of steering committees and Project Committees
- D1.4 Memoranda of understanding

III. Role and contribution (tasks) of each partner in this work package:

ID	Partner	Task(s) for this partner organisation	Related to Task N°
CO1	Ujbuda	<ul style="list-style-type: none"> • Development of the management plan and project management structure • Coordinating the Reporting process to the EASME (progress reports and final reports) in joint cooperation with the external project management expertise • Organising and mediation of Steering and Project Committee meetings • Coordinating the Progress Monitoring and Risk Management 	<ul style="list-style-type: none"> • Task 1.1 • Task 1.2 • Task 1.3 • Task 1.4
CB2	Pest County	<ul style="list-style-type: none"> • Participation in development of the management plan and project management structure (e.g.: giving inputs and information, etc.) • Participation in the Reporting to the EASME (progress reports and final reports) – e.g.: delivering data and information, etc. • Participation in the Steering and Project Committee meetings • Participation in the process of the Progress Monitoring and Risk Management (e.g.: delivering data and information, etc.) 	<ul style="list-style-type: none"> • Task 1.1 • Task 1.2 • Task 1.3 • Task 1.4

Other specific costs:

None

Major subcontracts:

EU project management activities (the Co-ordinator remains sole responsible towards the EASME for the fulfilment of the obligations laid in the Grant Agreement).

The subcontractors will be selected following the provisions of Article II.9 of the Grant Agreement on competitive grounds on the basis of the best value for money.



WP2: Survey and preliminary design

N° of work package: 2	Survey and preliminary design
Duration in months:18	Pest County

I. Description of the work:**a) Overview of the work package:**

The aim of the work package is to prepare the survey, preliminary design and financial plan which form the basis of the detailed plans in the WP3. The energy survey will be elaborated for all selected panel buildings related the current physical state. Based on the result of the energy survey, preliminary design will be prepared by engineers and architects. The plan contains the details for the energy efficient development.

b) Tasks**Task2.1 Energy surveys**

The energy survey will be elaborated for all participating panel buildings. The selected subcontractors will measure the current physical state of the selected buildings under the supervising of internal staff (for example: internal engineers overview the draft versions of the surveys so that the impact indicators could be achieved, etc.). Survey is a study of building's energy using equipment. The survey or will develop a list of energy conservation measures that could reduce energy usage and costs in panel buildings. In case of these types of buildings the first step is to find how to reduce the energy consumption.

Survey can be carried out through calculating the amount of heat which is lost through the building, using advanced technology (e.g. thermal imaging camera) to identify where heat is lost from a building, measuring the amount of electricity consumed by individual appliances, and doing a survey of all electric appliances in the building, analysing past electricity and heating bills - this allows us to validate the findings from the other steps and provides a longer-term pictures.

Task2.2 Preliminary design

In parallel with the elaboration of the survey, the preliminary design will be elaborated based on the survey. The plan contains the details for the energy renovation using SOLANOVA technique. For the physical project implementation a well-developed plan is necessary. Project results come forward in high energy savings (60-80%) for these building types. The internal staff will monitor the design work (for example: internal engineers ensure compliance with local and national building prescriptions, and for this will consult the designers, etc.)

Task2.3 Draft financing plan per building and homeowner

After the draft design financial experts will elaborate the draft financial plan for each building and for each homeowner type. Based on the historic energy consumptions (heat and electricity) of each building and the preliminary construction costs (calculated from the official so called "budget inscription"), the financial planners deliver a payback calculation. The calculated payback period and the construction cost will determine the potential financial solutions. The internal staff will supervise the work (for example: Expert in bank and credit issues will ensure that the specifics of the homeowners will be taken into account, and consult the MFB Hungarian Development Bank).

The financing plan for each homeowner will determine how the investment is financed by the different available funding sources: grants, tax rebates, loans, equity, ESCO, etc. This will be aggregated at the building level.

Task2.4 Validation by homeowners of the preliminary project (letter of intent)

As a final step the homeowners should validate the preliminary plans. The project documents (energy survey, preliminary design, payback calculation and Draft financing plans) will be introduced to the owners or the representatives of the owners (depending on whether the building is governed under Condominium rules or Homeowners Association rules). They will adopt the preliminary project. The internal staff will continuously give support the homeowners (for example: participation in residents'



meeting, answering residents' questions, explain them the process of the financing of the final project and their role, etc.)

II.a. Outputs of this work package:

- O2.1 Engineering solutions for buildings are developed
- O2.2 Research results are ready to be published

II.b. Deliverable(s) of this work package:

- D2.1 14 Building Energy survey Reports
- D2.2 14 preliminary design documentation
- D2.3 14 draft financing plans
- D2.4 14 letter of intent by homeowners associations

III. Role and contribution (tasks) of each partner in this work package:

ID	Partner	Task(s) for this partner organisation	Related to Task N°
CO1	Újbuda	<ul style="list-style-type: none"> • In case of the Újbuda buildings, supervising the process and quality control to ensure full compliance of the deliverables to be elaborated with (1) the local, national and European rules and (2) the specifics of the homeowners associations • "Help-desk support" for the Újbuda homeowners associations 	<ul style="list-style-type: none"> • Task2.1-2.3 • Task 2.4
CB2	Pest County	<ul style="list-style-type: none"> • In case of the Pest County buildings, supervising the process and quality control to ensure full compliance of the deliverables to be elaborated with (1) the local, national and European rules and (2) the specifics of the homeowners associations • "Help-desk support" for the Pest County homeowners associations 	<ul style="list-style-type: none"> • Task 2.1-2.3 • Task 2.4

Major subcontracts:

- Elaboration of Building Energy survey Reports
- Preliminary design
- Development of the financing plans

The subcontractors will be selected following the provisions of Article II.9 of the Grant Agreement on competitive grounds on the basis of the best value for money.



WP3: Building Permits, financing and procurement

N° of work package: 3	Building Permits, financing and procurement
Duration in months:31	Pest County

I. Description of the work:**a) Overview of the work package:**

Based on the preliminary design building permit drawings and finalised financial plan will contain more details for the implementation. The homeowners have to validate the final project. The tender specification will be an accurate description of the services required. After the tender specification the procurement will be launched.

b) Tasks**Task3.1 Building Permit Drawings**

Design teams will elaborate and finalise the Building Permit Drawings. The assemblies of the homeowners' associations of the buildings will validate the Building Permit Drawings. The authorisations for building permits (if needed) will then be requested. Internal staff will continuously monitor the drawing process and consult the designers (quality control) so that each homeowners association could get the building permissions without problems or administrative loads.

Task 3.2. Final Construction Drawings

Once the Building Permit Drawings are accepted, the design teams will elaborate the Final Construction Drawings. Internal engineers will monitor the drawing process and consult them (quality control).

Task3.3 Finalised financing plan per building and homeowner

Financial experts will in parallel finalise the Financial Plan for each building and homeowner. Internal staff will on-going control if the specifics of the homeowners have been taken into account, check if the financing plan is realistic, etc.

Task3.4 Validation by homeowners of the final project

The assemblies of the homeowners' associations of the buildings will validate the Final Construction Drawings and Financial Plan (containing a budget for each building and homeowner), and make a final decision about the launching and implementation of works. Internal staff will give continuous support to the homeowners (for example: participation in residents' meeting, answering residents' questions, etc.)

Task3.5 Tender specifications

Within this task the investment tender will be prepared. So the design teams will work out and finalise the specifications for the calls for tender. The tender documents will describe clearly and in details what requirements the tenderers need to fulfil, besides the documents will have among others an accurate description of the services and works to be procured. The tender documentations are key documents, and will include the construction works for the investment. All internal staff will actively work on the tender specifications, thus they will work on the professional legal and financial details for the tender documentations.



Task 3.6 Procurement of the works

The procurement will be launched either by the condominiums or by the project partners on behalf of condominiums. The work contracts will be awarded and signed by the condominiums themselves. Internal staff will assist the condominiums in each stage of the public procurement process OR carry out the whole procedures.

Task3.7 Standard specifications

Building Type Drawings (standard specifications) will be elaborated based on the Final Construction Drawings produced in task 3.2.

The project partnership will submit a request to the Hungarian Intellectual Property Office to obtain the authorization for the Building Type Drawings. This authorization guarantees that the Building Type Drawings are officially and easily replicable on panel buildings of similar type, and ensure a great replication potential of project results beyond project partnership and the involved condominiums as well as beyond the project period. The authorization can take about 6 months. Internal staff will supervise the elaboration of the standard specifications, and prepare them for submitting to the Hungarian Intellectual Property Office.

II.a. Outputs of this work package:

- O3.1 Building permit drawings are developed
- O3.2 Finalised financial plan for each building and homeowners are elaborated
- O3.3 Decision is made by homeowners
- O3.4 Final Construction Drawings are elaborated and Building Type Drawing are elaborated and submitted for authorization
- O3.5 Tender specification and procurement of the works are launched

II.b. Deliverable(s) of this work package:

- D3.1 Building Permit Drawings
- D3.2 Final Construction Drawing
- D3.3 Finalised financial plan for each building and homeowner with a summary in English
- D3.4 Decisions of assemblies of homeowners' associations
- D3.5 Tender specifications documents
- D3.6 Procurement documents
- D3.7 Summary of the investments and available evidence
- D3.8 Signed work contracts between homeowners associations and construction companies
- D3.9 Purchase contract for the equipment and software
- D3.10 Building Type Drawings

III. Role and contribution (tasks) of each partner in this work package:

ID	Partner	Task(s) for this partner organisation	Related to Task N°
CO1	Újbuda	<ul style="list-style-type: none"> • In case of the Újbuda buildings, supervising the process and quality control to ensure full compliance of the deliverables to be elaborated with (1) the local, national and European rules and (2) the specifics of the homeowners associations • "Help-desk support" for the Újbuda homeowners associations • Participation in elaboration of the Tender specifications in case of Újbuda buildings • Supporting the condominiums in procurement of the works OR procuring the works in case of Újbuda buildings on behalf of the condominiums 	<ul style="list-style-type: none"> • Tasks 3.1-3.3 • Task 3.4 • Task 3.5 • Task 3.6



		<ul style="list-style-type: none"> Participation in elaboration of the Standard specifications AND submitting a request to the Hungarian Intellectual Property Office to obtain the authorization for the Building Type Drawings 	<ul style="list-style-type: none"> Task 3.7
CB2	Pest county	<ul style="list-style-type: none"> In case of the Pest County buildings, supervising the process and quality control to ensure full compliance of the deliverables to be elaborated with (1) the local, national and European rules and (2) the specifics of the homeowners associations “Help-desk support” for the Pest County homeowners associations Participation in elaboration of the Tender specifications in case of Pest County buildings Supporting the condominiums in procurement of the works OR procuring the works in case of Pest County buildings Participation in elaboration of the Standard specifications 	<ul style="list-style-type: none"> Tasks 3.1-3.3 Task 3.4 Task 3.5 Task 3.6 Task 3.7

Major subcontracts:

Design

Development of the financing plans

The subcontractors will be selected following the provisions of Article II.9 of the Grant Agreement on competitive grounds on the basis of the best value for money.



WP4: Communication

N° of work package: 5	Communication
Duration in months: 36	Újbuda

I. Description of the work:

a) Overview of the work package:

Communication activities will be implemented during the whole 36 months. The aim of these tasks is to present and disseminate the process and results of the project by using communication materials, presentation, independent website and organise communication campaign at local, national and European level. In the frame of the work package capacity building will be elaborated, which will target Professionals within local municipalities and county municipalities, building companies, future user of the energy monitoring system.

b) Tasks

Task4.1 Elaboration of communication materials

A communication plan will be developed at the beginning of the project to help all the partners to deal with the internal and external project communication.

Preparation of a **Communication Plan**:

- ✓ to ensure a sound internal and external communication during the project implementation, and
- ✓ to distribute the roles, responsibilities and tasks among all the internal staff working on the project related to the project communication and dissemination.

Preparation of **Visual Identity Manual** of the project including:

- ✓ a Project Logo to easily identify the MLEI-SOLANOVA project and all the documents and materials delivered within the project framework
- ✓ a Power Point presentation template
- ✓ a headed letter template

Preparation of communication materials:

1. Set up and run a **Project Website** which will include all the information about the project in general (as well as about the involved areas, in order to promote them). The website will be an independent website in Hungarian and English version.
2. **Designing and printing Brochures** presenting the project in 6 languages
3. **Final publishable and result-oriented report** which will document the process and result of the project and analyse the key factors of success.
4. Executive summary of the result-oriented report in 4 languages
5. E-thematic briefings to inform the Association of Municipalities of Budapest and the Main Municipality
6. Creating news to be placed on www.ujbuda.hu
7. Creating press releases to be placed into the Újbuda Magazine
8. Organising training session for building companies and future users of the energy monitoring systems

Task4.2 Local communication campaign

We will inform the Association of Municipalities of Budapest and the Main Municipality of Budapest by using e-thematic briefings leading up the Mayors to the project website so that they could learn more details about the project and its objectives - **3 e-thematic briefings per year (total: 9 e-thematic briefings / project)**

We will elaborate short and easy-to-understand news for the local residents about the progress of the project and place them on an independent sub-page of the homepage of the Municipality of



Újbuda(www.ujbuda.hu) and on the homepages of the participating cities (Cegléd, Szigetszentmiklós, Vác, 3th District of Budapest) **-4 news a year (total: 12 news / project)**

We will issue short and easy-to-understand press releases about the progress of the project and place them into the Újbuda Magazine (local newspaper) and the local newspaper of the participating cities (Cegléd, Szigetszentmiklós, Vác, 3th District of Budapest) **-2 press releases per year (total: 6 press releases / project)**

Task4.3 National communication campaign

We will organise 2 press conferences in cities with huge number of panel buildings outside the project region (Central Hungarian NUTS2 Region which is composed of the territory of Pest County and Budapest) in order to highlight in a more effective way the national relevance of the project. The 1st press conference is to be held at the start of the project to draw the attention of all kinds of the listed target groups. The 2nd press conference is to be held at the project end for encouraging Hungarian municipalities and condominiums beyond the project partnership to prepare, develop and realise similar investment projects based on the project results – **2 press conferences / project**

We will organise working breakfasts for journalists for communicating the project results to raise awareness among Hungarian municipalities and condominiums. 2 working breakfasts will be organised and held outside the project region also to highlight the national relevance of the project – **1 working breakfast per year (total: 3 working breakfasts / project).**

We will issue professional articles about the progress of the project and place them into professional magazines to raise awareness among the professionals (such as: engineers, architects, district heating companies, young architect students, etc.)- **1 professional article per year (total: 3 professional articles / project)**

The project will be presented in 6 national events with 200 participants in average.

Task4.4 European communication campaign

We will inform Mayors of European Cities and Towns (especially in Central and Eastern Europe and the twin cities) by using e-thematic briefings leading up to the project website so that they could learn more details about the project - **1 e-thematic briefings per year (total: 3 e-thematic briefings / project).**

The project will be presented in 4 European events with 300 participants in average.

To present the project results and raise awareness about the importance of the project topic outside Hungary, too, 2 representatives from Újbuda will travel to 2 major European cities (over 500,000 inhabitants) - which are showing the most interest in the future use of the project results – and present the project results achieved. – **2 European dissemination events / project.**

Task4.5 Capacity building

We will organise training sessions for building companies and future users of the energy monitoring systems to improve their capacity in using the project results in building retrofitting investments and measuring the generated energy savings. Locations are planned outside the project region - **(90 persons).**

Capacity to replicate investment projects will be increased by “learning on the job” in case of professionals within the organisation of Újbuda and Pest County, as well as in case of professionals within municipalities’ organisations beyond the project partnership by means of inviting them to site-visits in Újbuda.

II.a. Outputs of this work package:

O4.1 Conferences for presenting the project aims and results (during closing conference) are organised

O4.2 Workshops for Municipalities’ relevant technical persons, operators of energy monitoring system and for residential are organised

II.b. Deliverable(s) of this work package:

D4.1 Communication Plan

D4.2 Visual identity manual of the project



- D4.3 Project website
- D4.4 Project Brochure
- D4.5 E-thematic briefings
- D4.6 News about the progress of the project placed on the website www.ujbuda.hu
- D4.7 Press releases about the progress of the project placed into the Újbuda Magazine (local newspaper)
- D4.8 Signed attendance lists of working breakfasts
- D4.9 Signed attendance lists of press conferences
- D4.10 Signed attendance lists of training sessions
- D4.11 Professional articles
- D4.12 Final publishable and result-oriented report
- D4.13 Executive summary of the result-oriented in 4 languages
- D4.14 Signed attendance lists of dissemination events

III. Role and contribution (tasks) of each partner in this work package:

ID	Partner	Task(s) for this partner organisation	Related to Task N°
CO1	Újbuda	Coordinating the implementation of the communication and dissemination tasks (quality control, giving inputs, delivering information and data, participation in European, national and local events, etc.)	Task 4.1-4.5
CB2	Pest county	Participation in the implementation of the communication and dissemination tasks (delivering information and data, participation in national and local events, etc.)	Task 4.1-4.4

Other specific costs:

#	Description
1.	Translating into 6 languages and printing Brochures (Task 4.1)
2	Organising Press conferences for Hungarian municipalities and condominiums (including: meeting room, catering, invitation, etc.) (Task 4.3)
3	Organising Working breakfasts for journalists (including: meeting room, catering, invitation, etc.) (Task 4.3)
4	Printing leaflets for the involved homeowners to inform them about project advancement (Task: N/R)
5	Official translation of letters of intent by the homeowners into English (Task: N/R)
6	Preparation and organisation of events for the involved homeowners to inform them about the project advancement (Task: N/R)
TOTAL:	

Major subcontracts:

1 subcontractor will be jointly procured by Újbuda and Pest County with experience in communication and dissemination related to EU projects.

#	Description
1	Development of the Communication Plan to ensure a general guidelines for the project communication and dissemination (Task 4.1)
2	Development of the Visual Identity Manual to ensure standardized identification of all the project materials (Task 4.1)
3	Development and maintaining of a Project Website to present all the project information and materials (Task 4.1) Elaborating and editing Brochures (Task 4.1)
4	Development of the Final Publishable and Result-Oriented Report (Task 4.1)
5	Development and translation into 4 languages of the Executive Summary (Task 4.1)
6	Development of E-thematic briefings and sending them to the Association of Municipalities of Budapest and the Main Municipality of Budapest (Task 4.2)
7	Development of News for placing them on www.ujbuda.hu (Task 4.2)

8	Development of Press releases for placing them into the Újbuda Magazine (<i>Task 4.2</i>)
9	Elaborating Professional articles for professionals concerned with project topic (<i>Task 4.3</i>)
10	Development of E-thematic briefings for Mayors of European Cities and Towns (<i>Task 4.4</i>)
11	Organising Training sessions for building companies and users of the energy monitoring system (including: room meeting, invitation letters, catering, trainers) (<i>Task 4.5</i>)
	Total

The subcontractors will be selected following the provisions of Article II.9 of the Grant Agreement on competitive grounds on the basis of the best value for money.



WP5: IEE common dissemination Activities

N° of work package: 6	IEE common dissemination activities							
Duration in months: 36	Local Government & Municipality of District 11 of Budapest, Újbuda							
<p>I. Description of the work:</p> <p>a) Overview of the work package: The work package covers resources to contribute, upon request by the EASME, to common dissemination activities to increase synergies between, and the visibility of IEE-supported actions.</p> <p>b) Tasks</p> <p>Task5.1 Contribution, upon request by the EASME, to the development of information material (Intelligent Energy MAG, videos, images etc.), as well as inputs to European portals (ManagEnergy, Covenant of Mayors, Build-Up) and databases in the quality and form specified.</p> <p>Task5.2 Contribution, upon request by the EASME, to the development of material for upload on the ManagEnergy web site, in the quality and form specified.</p> <p>Task5.3 Participation and/or contribution, upon request by the EASME, to information, training and dissemination events such as contractors' workshops, conferences, briefing days, exhibitions, etc) related to IEE or other relevant EU programmes.</p> <p>Task5.4 Delivery, upon request by the EASME, of an update/further input of the action's contribution to the "IEE Common performance indicators"</p> <p>II.a. Outputs of this work package:</p> <p>O6.1 Delivery of agreed presentation materials and media tools O6.2 Participation in events, such as contractor's workshops, conferences etc.</p> <p>II.b. Deliverable(s) of this work package: To be agreed specifically at the time of the request. D6.1 Set of updated IEE Common Performance indicators including their baseline and assumptions for extrapolation</p> <p>III. Role and contribution (tasks) of each partner in this work package:</p> <table border="0"> <thead> <tr> <th>Partner</th> <th>Task(s) for this partner organisation</th> <th>Related to Task N°</th> </tr> </thead> <tbody> <tr> <td>CO Újbuda</td> <td>Working on all tasks</td> <td></td> </tr> </tbody> </table>			Partner	Task(s) for this partner organisation	Related to Task N°	CO Újbuda	Working on all tasks	
Partner	Task(s) for this partner organisation	Related to Task N°						
CO Újbuda	Working on all tasks							



5.5 Overview of Deliverables

WP	#	Deliverable name	Type of deliverable	Format	Language	Target group	Lead participant	Dissemination level	Month of completion
WP1	D1.1	Management Plan	Document	Electronic	Hungarian	Consortium members	Ujbuda	CO	1
	D1.2	Performance monitoring report with updates every six months	Report	Electronic	English	Consortium members, EASME	Ujbuda	CO	upon request
	D1.3	Minutes of steering committees and Project Committees	Document	Electronic	Hungarian	Consortium members, EASME	Ujbuda	CO	18,36
WP2	D1.4	Memoranda of understanding with municipalities	Signed agreement	Printed	Hungarian	Consortium members	Ujbuda	CO	2
	D2.1	14 Building Energy survey Reports	Report	Electronic	Hungarian	Condominiums	Ujbuda	PU	12
	D2.2	14 Preliminary designs	Document	Electronic	Hungarian	Condominiums	Ujbuda	CO	16
	D2.3	14 Draft financing plans	Document	Electronic	Hungarian	Condominiums	Ujbuda	CO	17
	D2.4	14 Letters of intent of condominiums	Signed statement	Printed	Hungarian and English	Consortium members, Public authorities, condominiums	Ujbuda	CO	18
	D3.1	14 Building permit drawings	Document	Electronic	Hungarian	Condominiums	Ujbuda	CO	25
WP3	D3.2	14 Final Construction Drawings	Document	Electronic	Hungarian	Condominiums, Public authorities	Ujbuda	PU	27
	D3.3	14 Finalised financial plans for each building and homeowner with a summary in English	Document	Electronic	Hungarian English	Condominiums	Ujbuda	CO	28
	D3.4	Decisions of assemblies of homeowners' associations	Statement	Printed	Hungarian	Consortium members	Ujbuda	CO	30
	D3.5	Tender specifications documents	Document	Printed	Hungarian	Condominiums	Ujbuda	CO	31
	D3.6	Procurement documents	Document	Electronic	Hungarian	Construction companies	Ujbuda	CO	35
	D3.7	Summary of the investments and available evidence	Document	Electronic	English	EASME	Ujbuda	CO	35
WP4	D3.8	Signed work contracts between homeowners associations and construction companies	Document	Printed	Hungarian	Consortium members, Public authorities, condominiums	Ujbuda	PU	35
	D3.9	Purchase contract for the equipment and software	Document	Printed	Hungarian	Consortium members, Public authorities, condominiums	Ujbuda	PU	35
	D3.10	Building Type Drawing	Document	Printed	Hungarian	Condominiums, Public authorities	Ujbuda	PU	36
WP4	D4.1	Communication Plan	Working paper	15 pages, Electronic	Hungarian	Consortium members	Ujbuda; Pest County	CO	1
	D4.2	Visual identity manual of the project	Document	Electronic	Hungarian	Consortium members	Ujbuda; Pest County	CO	3



WP	#	Deliverable name	Type of deliverable	Format	Language	Target group	Lead participant	Dissemination level	Month of completion
	D4.3	Project website	Website	Electronic pages	Hungarian + English	Public authorities, residents	Ujbuda; Pest County	PU	3
	D4.4	Project Brochure	Brochure	Electronic, 4pages 500 copies in HU, 500 in EN	HU, EN, CZ, RO, PL and BG	Public authorities	Ujbuda; Pest County	PU	30
	D4.5	E-thematic briefings	Briefing in pdf format	3 pages	Hungarian and English	Mayors of Budapest area Mayors of European Cities and Towns	Ujbuda; Pest County	PU	18,36
	D4.6	News about the progress of the project	Webpage	Electronic	Hungarian	Local residents	Ujbuda; Pest County	PU	18,36
	D4.7	Press releases	Press releases published in Ujbuda Magazine	Printed	Hungarian	Local residents	Ujbuda; Pest County	PU	18,36
	D4.8	Working breakfast	Signed attendance lists	Printed	Hungarian	Hungarian municipalities and condominiums	Ujbuda; Pest County	CO	18,36
	D4.9	Press conferences	Signed attendance lists	Printed	Hungarian	Hungarian municipalities and condominiums	Ujbuda; Pest County	CO	18,36
	D4.10	Training sessions	Signed attendance lists	Printed	Hungarian	Building companies and future users of the energy monitoring systems	Ujbuda; Pest County	CO	18,36
	D4.11	Professional articles	Articles	Electronic	Hungarian or English	Engineers, architects	Ujbuda; Pest County	PU	36
	D4.12	Final publishable report	Report	Electronic, 20-50 pages 200 copies in HU, 200 in EN	Hungarian and English	Public authorities	Ujbuda; Pest County	PU	36
	D4.13	Executive summary of the result-oriented	Report	Electronic, 5-10 pages	CZ, RO, PL and BG	Public authorities	Ujbuda; Pest County	PU	36
	D4.14	Dissemination events	Signed attendance lists	Printed	Hungarian	Hungarian municipalities and condominiums	Ujbuda; Pest County	CO	18,36
WP5	D5.1	Set of updated IEE Common Performance indicators	Document	1 page, PDF	Hungarian + English	EASME	Ujbuda	CO	upon request



Phase / months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
Deliverables	D1.1 D1.2 D4.1	D1.4 D1.4	D4.2 D4.3 D4.9		D1.6 D1.4	D1.4 D1.4						D2.1			D2.1	D2.2 D2.3	D2.4 D1.3 D4.5 D4.6 D4.7 D4.8								D3.1	D3.2 D3.3		D3.4 D4.4 D4.8	D3.5 D4.10				D3.6 D3.7 D3.8 D3.9	D1.3 D3.10 D4.5 D4.6 D4.7 D4.8 D4.9 D4.10 D4.11 D1.13		

32/32

ESTIMATED BUDGET - Table1: Cost summary in EUR

MLEI SOLANOVA

36 months

Participant No. ⁴	Participant Legal Status ⁵	Participant Country Code ⁷	Participant Name (Organisation Name in English) ³	Participant short name ²	Number of hours budgeted for the project ¹⁴	Staff ¹⁵ Costs ¹⁵	Sub-contracting ¹⁷	Travel costs and Allowances for Staff ¹⁸	Purchase Costs for Equipment ¹⁹	Other Specific Costs ²⁰	Subtotal of direct eligible costs		Indirect eligible costs ²¹	Total eligible costs
											Staff ¹⁵ Costs ¹⁵	Sub-contracting ¹⁷		
1	OTH	HU	Local Government & Municipality of District 11 of Budapest, Ujbuda	Ujbuda	3.998	48.743	218.000	8.300	0	17.400	292.443	29.246	321.689	
2	GOV	HU	Self-Government of Pest County	Pest County	3.770	37.702	271.062	700	0	3.500	312.964	22.621	335.585	
3	0	0		0	0	0	0	0	0	0	0	0	0	
4	0	0		0	0	0	0	0	0	0	0	0	0	
5	0	0		0	0	0	0	0	0	0	0	0	0	
6	0	0		0	0	0	0	0	0	0	0	0	0	
7	0	0		0	0	0	0	0	0	0	0	0	0	
8	0	0		0	0	0	0	0	0	0	0	0	0	
9	0	0		0	0	0	0	0	0	0	0	0	0	
10	0	0		0	0	0	0	0	0	0	0	0	0	
11	0	0		0	0	0	0	0	0	0	0	0	0	
12	0	0		0	0	0	0	0	0	0	0	0	0	
13	0	0		0	0	0	0	0	0	0	0	0	0	
14	0	0		0	0	0	0	0	0	0	0	0	0	
15	0	0		0	0	0	0	0	0	0	0	0	0	
TOTAL					7.768	86.445	489.062	9.000	0	20.900	605.407	51.867	657.274	
Share of total eligible costs						13%	74%	1%	0%	3%	92%	8%		

ESTIMATED BUDGET - Table 2: Income summary in EUR

MLEI SOLANOVA

36 months

Participant No.4	Participant Legal Status	Participant Country Code	Participant Name (Organisation Name in English)3	Total eligible costs	Requested Funding from IEE Programme22	% of Requested Contribution from IEE Programme	% of Own Funding	Expected funding from 3rd Parties (public + private)23	% Expected Funding from 3rd Parties (public + private)	Cost distribution between participants	Funding distribution between participants
1	OTH	HU	Local Government & Municipality of District 11 of Budapest, Ujbuda	321.689,00	241.266,00	75,00%	5,75%	61.925	19,25%	49%	49%
2	GOV	HU	Self-Government of Pest County	335.585,00	251.688,00	75,00%	25,00%	-	0,00%	51%	51%
3	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
4	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
5	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
6	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
7	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
8	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
9	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
10	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
11	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
12	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
13	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
14	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
15	0	0		0,00		0,00%	100,00%		0,00%	0%	0%
				657.274,00	492.954,00	75,00%	15,58%	61.925	9,42%		

ESTIMATED BUDGET - Table 3: Human resources summary in hours

MLEI SOLANOVA

36 months

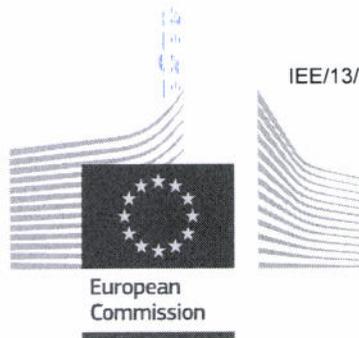
Participant No.4	Participant Legal Status	Participant Country Code	Participant short name2	Distribution of HOURS per work package and participant ⁴⁸										Total number of hours	Distribution of hours in %	
				Workpackage 1: Management	Workpackage 2: Audit and preliminary design	Workpackage 3: Building Permit Drawings, financing and procurement	Workpackage 4: Communication	Workpackage 5: IEE common dissemination activities	Workpackage 6:	Workpackage 7: INSERT NAME	Workpackage 8: INSERT NAME	Workpackage 9: INSERT NAME	Workpackage 10: INSERT NAME			
1	OTH	HU	Ujbuda	630	810	1.438	670	450	-	-	-	-	-	-	3.998	51%
2	GOV	HU	Pest County	300	1.370	1.710	390	-	-	-	-	-	-	-	3.770	49%
3	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
4	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
5	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
6	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
7	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
8	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
9	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
10	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
11	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
12	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
13	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
14	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
15	0	0		-	-	-	-	-	-	-	-	-	-	-	0	0%
TOTAL				930	2.180	3.148	1.060	450	0	0	0	0	0	7.768		
				Share of total number of hours	28%	41%	14%	6%	0%	0%	0%	0%	0%	100%		

ESTIMATED BUDGET - Table 4: Financial resources summary in EUR

MLEI SOLANOVA

36 months

Participant No.4	Participant Legal Status	Participant Country Code	Participant short name2	Distribution of COSTS per work package and participant ⁴⁹										Total Eligible Costs				
				Workpackage 1: Management	Workpackage 2: Audit and preliminary design	Workpackage 3: Building Permit Drawings, financing and procurement	Workpackage 4: Communication	Workpackage 5: IEE common dissemination activities	Workpackage 6:	Workpackage 7: INSERT NAME	Workpackage 8: INSERT NAME	Workpackage 9: INSERT NAME	Workpackage 10: INSERT NAME					
1	OTH	HU	Újbuda	18,030	83,668	154,623	49,638	15,730	-	-	-	-	-	-	-	-	-	321,689
2	GOV	HU	Pest County	11,810	118,386	188,492	16,897	-	-	-	-	-	-	-	-	-	-	335,585
3	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
4	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
5	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
6	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
7	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
8	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
9	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
10	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
11	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
12	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
13	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
14	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
15	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
TOTAL				29,840	202,054	343,115	66,535	15,730	0	0	0	0	0	0	0	0	0	657,274
Share of total eligible costs				5%	31%	52%	10%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%



Promotion and Dissemination Projects

Annex III – Reporting, financial statements and publications

All project communications are to follow the guidelines, which can be downloaded from the IEE programme web site http://ec.europa.eu/energy/intelligent/implementation/communication_en.htm.

Using inputs from the beneficiaries in the agreement, the coordinator is required to put together each report as a single document in English language and to ensure that it is submitted to the EASME by the agreed deadline.

Overview of reporting to the EASME

Report / Deliverable	Contractual due date
a) Publishable slide and factsheet	1 month from the agreement signature (for first submission)
b) Project website	6 months after starting date of the action as specified in Article I.11.1
c) Technical progress report(s)	specified in Article I.6.2
d) Interim technical implementation report + interim financial statements	specified in Article I.6.3
e) Final technical implementation report + final financial statements	specified in Article I.6.4

a) Publishable summary slide and project factsheet

The following documents should be submitted by email within one month from the agreement signature:

- one PowerPoint slide providing a short presentation of the action according to the guidelines provided on http://ec.europa.eu/energy/intelligent/implementation/index_en.htm;
- a publishable 1-2 page project factsheet developed on the basis of the template provided on http://ec.europa.eu/energy/intelligent/implementation/index_en.htm

The documents must be submitted in English to the address specified on the "Intelligent Energy – Europe" programme website http://ec.europa.eu/energy/intelligent/implementation/reporting_en.htm, indicating clearly the project number and acronym in the subject line. These documents will be published by the EASME on the programme website.

b) Project web site

The project website has to be set up either as own website or at the premises of the coordinator or co-beneficiaries. Apart from providing an outline of the project, this website should be a key means to disseminate all electronic deliverables of the project. It should therefore be proactively promoted and its use must be monitored.

This website should be easily accessible and be kept up-to-date. It should be developed and maintained taking into account the guidance and other best practice guides provided on http://ec.europa.eu/energy/intelligent/implementation/communication_en.htm#website

This website has to be accessible at the latest 6 months after the starting date of the action as specified in Article I.2.2 of the grant agreement and must be accessible until at least 2 years after the end of the action.

c) Technical progress report(s)

Template and instructions: http://ec.europa.eu/energy/intelligent/implementation/reporting_en.htm

The number and reporting period of technical progress report(s) shall be drawn up in accordance with the relevant provisions in article I.6.2 of the grant agreement.

The technical progress report(s) must be submitted in English, follow the template and should integrate contributions from each beneficiary. The report(s) should be submitted by the co-ordinator and must contain in annex some documents as described in the template.

d) Interim technical implementation report and interim financial statements

Template and instructions: http://ec.europa.eu/energy/intelligent/implementation/reporting_en.htm

The documents shall be drawn up in accordance with the relevant provisions in articles I.5.2 and I.6.3. They must be submitted by the coordinator in one consolidated package and be accompanied by a cover letter in which the coordinator requests the second pre-financing payment.

The interim technical implementation report must follow the template and should integrate the contribution from each beneficiary. It must contain in annex a series of documents as described in the template.

The interim financial statement shall be completed by each beneficiary and must follow the template provided on http://ec.europa.eu/energy/intelligent/implementation/financial_en.htm. It should present, in euro, the eligible costs actually incurred, following the structure of the estimated budget.

In addition to these statements the coordinator shall provide in annex copies of bank statements showing the transfer to the co-beneficiaries of the first pre-financing paid by the Agency.

All the above documents must be submitted together in English in 1 original and 1 copy to the address indicated in Article I.8 of the agreement. In addition, they must be submitted electronically, according to the instructions indicated on the IEE programme website (see link above).

e) Final technical implementation report and final financial statements

Template and instructions: http://ec.europa.eu/energy/intelligent/implementation/reporting_en.htm

These documents shall be drawn up in accordance with the relevant provisions in articles I.5.3 and I.6.4. They must be submitted by the coordinator in one consolidated package and be accompanied by a cover letter in which the coordinator requests the payment of the balance.

The final technical implementation report must follow the template and should integrate the contribution from each beneficiary. It must contain in annex a series of documents as described in the template.

The final financial statement shall be completed by each beneficiary and must follow the template provided on http://ec.europa.eu/energy/intelligent/implementation/financial_en.htm. It should present, in euro, the eligible costs actually incurred, following the structure of the estimated budget.

In addition to these statements the coordinator shall provide in annex copies of bank statements showing the transfer to the co-beneficiaries of the second pre-financing paid by the Agency.

When required, the final financial statement shall be accompanied by an external audit report in accordance with the relevant provisions in article I.5.3.

All the above documents must be submitted together in English in 1 original and 1 copy to the address indicated in Article I.8 of the agreement. In addition, they must be submitted electronically according to the instructions indicated on the IEE programme website (see link above).

**ANNEX IV
MANDATE¹**

Self-Government of Pest County [full official name], **Pest County** [ACRONYM]

Local government [official legal form]²

731311 [official registration No]³

H-1052 Budapest, Városház street 7. [official address in full]

15731319-1-41 [VAT number],

("the co-beneficiary"), represented for the purposes of signature of this mandate by
Dr. Lajos Szűcs, President [name, forename and function]

of the one part,

and

Local Government & Municipality of District 11 of Budapest, Újbuda [full official name], **Újbuda** [ACRONYM]

Local government [official legal form]⁴⁰

735748 [official registration No]⁴¹

H-1113 Budapest, Bocskai street 39-41. [official address in full]

15735746-2-43 [VAT number],

("the co-ordinator"), represented for the purposes of signature of this mandate by
Dr. Tamás Hoffmann, Mayor [name, forename and function]

of the other part,

HAVE AGREED

For the purposes of the implementation of the agreement [MLEI SOLANOVA – City of Újbuda and Pest County (HU) – IEE/13/765. SI2.675531] between the Agency and the co-ordinator,

The following:

1. The co-beneficiary grants power of attorney to the co-ordinator, to act in his name and for his account in signing the above-mentioned agreement and its possible subsequent riders with the Agency. Accordingly, the co-beneficiary hereby mandates the co-ordinator to take full legal responsibility for the implementation of such an agreement⁴.

¹ One version of this annex to be included for each co-beneficiary.

² Delete if the beneficiary is a natural person or a public-sector body.

³ Delete if the beneficiary is a public-sector body. (For natural persons, also indicate the number of their identity card or, failing that, of their passport or equivalent.)

⁴ This is without prejudice to the legal and/or financial responsibility applying to the beneficiaries in virtue of the relevant clauses of the grant agreement.



2. The co-beneficiary hereby confirms that he has taken careful note of and accepts all the provisions of the above agreement with the Agency, in particular all provisions affecting the co-beneficiary and the co-ordinator. *[In particular, he acknowledges that, by virtue of this mandate, the co-ordinator alone is entitled to receive funds from the Agency and distribute the amounts corresponding to the co-beneficiary's participation in the action.]*
3. The co-beneficiary hereby agrees to do everything in his power to help the co-ordinator fulfil the co-ordinator's obligations under the above agreement. In particular, the co-beneficiary hereby agrees to provide to the co-ordinator whatever documents or information may be required, as soon as possible after receiving the request from the co-ordinator.
4. The provisions of the above agreement, including this mandate, shall take precedence over any other agreement between the co-beneficiary and the co-ordinator which may have an effect on the implementation of the above agreement between the co-ordinator and the Agency.
5. A copy of this mandate shall be annexed to the above agreement and shall form an integral part of it.

SIGNATURES

For the co-beneficiary
[Dr. Lajos Szűcs, President]

[signature]

Done at Budapest, [23] January, 2014]

In duplicate in English

For the co-ordinator
[Dr. Tamás Hoffmann, Mayor]

[signature]

Done at Budapest, [27] January, 2014]

2014 JAN 27.