

# New procedure of the Institut français

## relating to the payment of financial aid and support

Following on from the administrative changes and simplifications initiated since 2018, a new procedure relating to the payment of financial aid and support to beneficiaries (IF, AF, associations, public institutions and French or foreign organisations etc.) has been in operation **since 15 April 2020**.

### This new procedure aims in particular to:

- Simplify and digitise financial support procedures
- Strengthen the qualitative assessment phase of projects and the evaluation of support granted, in direct connection with the beneficiaries

In the context of the health crisis, the IF is speeding up the simplification of its procedures, in particular by moving to complete digitisation by email.

# Rules and implementation

## The prerequisite legal rules underlying these new procedures can be summarised as follows:

Financial aid must be preceded by **an official request** from an external organisation (following a call for proposals, an unsolicited request or other).

Support **cannot be considered as an order** or a service request from the IF.

The amount of aid provided must **not exceed 50%** of the total budget for the action supported.

The aid must be **paid to an organisation and not to a person**. This latter case would fall under another type of contract (a residences or mission etc.).

If the total amount of aid allocated by the IF, with all programmes combined, to the same beneficiary (IF, AF, associations, others) is equal to or exceeds €23,000, a **funding agreement** with this beneficiary must be made.

## The process is as follows:

I

Following a call for proposals or an unsolicited request, a request for aid is submitted to the IF (via the IF Prog or outside the IF Prog).

II

A decision is taken through an awarding committee or a programming meeting, which will be validated by the IF's Directorate General.

III

Once the aid has been validated, the organisations that receive support are informed and send back to the IF the documents relating to the action supported (budget, description, deadlines etc.).

IV

Once the project is updated and compliant (documents provided and deadlines in place), two **procedures are implemented:** (see following pages)

# Procedures implemented

## Where the support is less than or equal to €8,000

- The IF sends by email a **positive notification letter** to the beneficiary with its contact details, the name of the contact person for monitoring the case, the purpose of the support, the dates of the project, the amount allocated, and the obligations of the beneficiary.
- Based on this letter, the IF commits the amount allocated and **pays all the aid in a single transaction**.
- When the project is completed, the beneficiary is required to send the IF, digitally and as soon as possible and no later than two months after the project, an **assessment** of the action supported in order to assess the impact and relevance of the aid with regard to the programming objectives of the IF.

- Future support is dependent on obtaining this assessment.
- This procedure does not concern aid granted within the framework of European or AFD projects, given the administrative framework imposed by these donors.



## Where the support is greater than €8,000

The existing procedure consisting of the establishment of a project aid contract on the basis of “eligible” expenses, is largely employed **with two changes**:

- The project aid contract is sent initialled and then signed **only digitally**, on both sides by the beneficiary and the IF.
- For all projects, regardless of **the beneficiary**, **the advance threshold is set at 70%**.

## Funding agreement from €23,000

In accordance with regulatory obligations regarding financial aid and support, a funding agreement will be made **when the cumulative support to the same beneficiary over a calendar year is equal to or greater than €23,000**.

The Institut français verifies the amounts allocated to the same beneficiary, regardless of the IF's programmes. The funding agreement will be sent digitally as soon as the amount likely to be paid exceeds the threshold of €23,000. This agreement lists the various grants (less than and more than €8,000) planned for the year, stipulates the total amount paid, sets out the obligations of the beneficiary and indicates circumstances for termination. If during the year the overall amount were to be supplemented by other support, an amendment to the agreement would then be drawn up and proposed.

# Diagram of both modalities of payment of financial aid at the Institut français

- **Official request** for support (call for proposals or unsolicited request).
- **Decision of the IF** (by commission or simple agreement).
- The beneficiaries are informed and **update the items** sent (description, provisional budget, deadlines etc).



## Support less than or equal to € 8000

Special cases: European contracts and AFD subsidies



No contract



- The IF sends a **notification** letter.
- The IF **commits and pays in a single instalment** the amount allocated, without formalising a contract with the beneficiary
- An **assessment** must be sent to the IF, which certifies the proper execution of the action supported and confirmation of support from the IF.
- A **funding agreement** is drawn up if the aid granted to the same beneficiary **amounts to €23k** over a calendar year.

## Support above € 8,000



Project aid contract



- Formalisation of a project aid contract (current framework and procedures).
- **Advance threshold: 70%** then the balance upon presentation of a bill of costs or supporting documents.
- An **assessment** must be sent to the IF, which certifies the proper execution of the action supported and confirmation of support from the IF.
- A **funding agreement** is drawn up if the aid granted to the same beneficiary **amounts to €23k** over a calendar year.

## Overall support equal to or greater than €23,000



If during the calendar year all aid paid by the IF to the same beneficiary, regardless of the programme, reaches an **amount equal to or greater than €23,000**, the IF will draw up a **funding agreement** with the beneficiary.