



Programme Belgium

Subprogramme 1:
Capacity development (Global
Minds)

Subprogramme 2:
Education (ICP, ITP) and
Scholarships

Financial guidelines

Updated version of 20 December 2019, as approved
by DGD on 17 December 2019

CONTENT

SECTION 1: General provisions and standard financial rules and practices 3

<i>General Provisions</i>	3
Formal framework	3
Guidelines	3
Objective of these guidelines	3
General principles	3
Responsibilities	4
Reporting	4
<i>Standard financial rules and practices</i>	5
Accounting	5
Use of the budget	5
Country list	6
Eligible and ineligible costs	6
Procurement and purchase procedures	7
Supporting documents	8
Exchange rate	8
Account with dedicated analytical code	8
Visibility	8
Labelling of goods	9

SECTION 2: Budget lines 10

<i>Overview</i>	10
<i>Budget lines</i>	11
B. Operational costs	11
C. Personnel costs	15
D. Scholarship costs	16
E. Coordination costs	19

Annex 1: Exchange rate calculation 20

Method	20
Example	20

Annex 2: Reporting deadlines and formats 21

SECTION 1: General provisions and standard financial rules and practices

General Provisions

Formal framework

All VLIR-UOS financed interventions have to fulfil the **budgetary, technical and administrative** requirements as specified within the new regulatory framework: the Royal Decree of 11 September 2016 on the Non-Governmental Cooperation and the Ministerial Decree of 2 February 2019 on the Five-Year Programme of VLIR-UOS for the period 2018-2021.

As of 1 January 2017 all programmes and projects run according to normal calendar years (1 January Year 'X' until 31 December Year 'X') as opposed to academic years. This has an effect on the reporting requirements and deadlines, as clarified in the new agreements and guidelines.

Guidelines

This document has been subdivided into 2 main sections, complemented with a number of annex documents that are available on the VLIR-UOS website.

1. General provisions and standard financial rules and practices
2. The VLIR-UOS budget lines
3. Annexes: Exchange rates and calculation methods; reporting deadlines and formats
4. Separate annexes available on the website which are integral part of the financial guidelines
 - the **hotel and per diem allowances** usually change at least once a year and are therefore not included anymore as an annex to the VLIR-UOS financial guidelines. They can be found on the VLIR-UOS website: <https://www.vliruos.be/en/documents/guidelines-and-forms/131#general-guidelines-and-forms>.
 - **Local per diem guidelines per country (if existing)**
 - Guidelines for **local scholarship amounts** in the case of sandwich PhD's are also available in this document, but are subject to negotiation between the Flemish university and the partner institution, with the necessary approval by VLIR-UOS (also see p18).

Objective of these guidelines

These VLIR-UOS Financial Guidelines concern the projects and programmes financed within the programme Belgium of VLIR-UOS. These guidelines are confirmed by DGD as the applicable formal framework (d.d. 14 February 2018) and governed by the Royal Decree on the Non-Governmental Cooperation of 11 September 2016.

These guidelines aim to present the financial rules and standard practices applying to all VLIR-UOS financed interventions and clarify the budget plan (budget lines B-E for Programme Belgium). They apply in addition to general and specific provisions described in the project or programme agreement.

General principles

Each grant is used in accordance with the principle of good financial management, meaning in accordance with the principles of (1) thrift, (2) efficiency and (3) effectiveness (art. 33 of Royal Decree).

Responsibilities

Responsibilities with respect to the execution of the intervention are defined by an agreement between VLIR-UOS and the Flemish higher education institution to which the programme promotor is affiliated.

Reporting

Contents

The annual project report consists of a narrative (Annual Progress Report) and financial report (Annual Financial Report), unless stated differently in the agreement (intervention types that are phasing out).

Formats and submission

The formats for the Annual Programme (AP) and Annual Report (APR+AFR) can be found on the [VLIR-UOS website](#). The financial forms follow the budget plan B-E and are also available on the website. In the reporting only the relevant main budget lines (B-E) are required, not the sub-lines.

An overview of the submission deadlines can be found in the agreements and in annex 2 of these guidelines.

Standard financial rules and practices

Accounting

The financial transactions for activities subsidised within the framework of university cooperation for development must be organised by the subsidised institution in a way that permits analytical accounting.

Use of the budget

Budget transfers between activity years

Budget transfers are only possible from one activity year to the next. Moreover, budgets can only be transferred up to a certain intervention-specific maximum percentage. Budget transfers between activity years are thus possible up to a certain percentage of the annual budget. Details on the percentages can be found in the agreements.

No budget transfers will be possible between Five-Year Programmes.

Budget shifts within an activity year

The Royal Decree of 11 September 2016 on Non-Governmental Cooperation concerning the limits of budget shifts between budget lines and the VLIR-UOS Regulatory Framework concerning budget transfers and realignments approved by the Bureau UOS of 24 February 2017, with consent of DGD, imply that a revised budget plan has to be included in the Annual Progress Report and before 30 June of the last activity year if:

- the shift in the total budget line for personnel costs or investment costs¹ at programme or project level is higher than 10.000EUR as compared to the initial budget line total (for the whole programme/project)
- and
- the shift amounts to more than 30% as compared to the initial budget line total (for the whole programme or project) foreseen for the budget line for personnel or investment costs.

A budget shift **exceeding** the limits detailed above needs to be **approved** by VLIR-UOS. The new budget will be the reference for reporting, apart from the initial budget which also needs to be referred to. However the payment of the financial instalments will not undergo any changes as these follow the original multi-annual planning and initial budget distribution over activity years. VLIR-UOS should be **informed** about budget **shifts within the limits** detailed above by means of the AP or APR/AFR report (more details can be found in the agreement).

Invoices related to an Annual Programme

All invoices need to relate to an activity year (Annual Programme (AP)) which in the framework of the new regulatory framework is the same as a calendar year. All invoices are to be dated in the calendar year the activity was implemented. Only in case other purchases where Belgian Public Procurement Acts apply and when the invoice cannot be delivered in time, the order needs to have taken place in the correct calendar year (=activity year), being before 31/12 of year 'X' for purchases related to year 'X'. The actual invoice needs to be reported before 15 March of the year 'X+1' and correctly reported with the necessary supporting documents in the related annual reports. Also for the final year of the Five Year Programme this will be applied.

¹ Not relevant for intervention types within subprogramme 1 and 2 of the Belgium programme

In the case of airline tickets to be purchased for the following activity year, a reasonable delay for purchase of 2 1/2 months before the trip is applied, meaning that purchases of tickets before 31/12 of Year 'X' can take place ultimately 15th of March of the year 'X+1', as such considering the same deadline as for the above mentioned purchases.

Country list

Overall, all incoming and outgoing mobility in the framework of the Belgium Programme is defined by the country list of 31 countries (+ Belgium). The funding government applies this list as an absolute restriction. This means that on one side travels, visits, prospection missions, internships, etc. by students and staff members of the Flemish university can only be financed if the destination is one of the 31 countries. On the other side, visiting students, professionals and representatives of partner institutions in the South can only be financially supported if they are nationals of one of the 31 countries:

- **Africa:** Benin, Burkina Faso, Burundi, DR Congo, Ethiopia, Guinea, Cameroon, Kenya, Madagascar, Mali, Morocco, Mozambique, Rwanda, Senegal, Tanzania, Uganda, Zimbabwe, South Africa, Niger
- **Asia:** Cambodia, Philippines, Indonesia, Palestinian Territories, Vietnam
- **Latin America:** Bolivia, Cuba, Ecuador, Guatemala, Haiti, Nicaragua, Peru

Two exceptions can be made on this general rule:

- For ICP incremental project and Global Minds: **guest speakers** or **external experts** who are invited to act as **advisor, guest lecturer, ...** during a **short period of time** and in the framework of the **Global Minds** programme or **ICP incremental project** and in view of the envisaged results do not need to be nationals of one of the 31 countries of the country list².
- For group travels in the framework of Global Minds: in the framework of a Global Minds group travel to one of the 31 scholarship countries, it is not required that all participating and supported students are nationals of one of the 31 scholarship countries (+Belgium). Students with EEA nationality who are enrolled at a Flemish university or university college under a diploma contract can receive limited financial support if:
 - the student's study at a Flemish university or university college is not part of a European exchange programme;
 - the group travel they partake in is embedded in a specific course or a clearly defined extra-curricular activity;
 - they participate in preparatory sessions and follow-up sessions.

Of all students involved in the group travel, those with a different nationality than the 31 scholarship countries or Belgium should however be a minority (main focus is participants from the 31 scholarship countries + Belgium). Please note that financial support in the framework of a group travel is considered an operational- instead of a scholarship cost (e.g. flight, accommodation, visa, etc).

Eligible and ineligible costs

Eligible costs

Overall, in order to be eligible, a cost must meet several cumulative conditions:

1. it is documented by a supporting document and the cost can be identified and checked;
2. it is necessary to reach the outcome of the programme/project and is used according to the approved budget of the programme/project and during its period of execution;

² Please note that the DGD visa procedure is only available to nationals and residents of one of the 31 countries of the country list.

3. it respects the provisions concerning the fiscal, social and public procurement legislation as also the internal rules of the subsidised organisation;
4. it is not submitted to another donor;
5. it is submitted in accordance with a signed agreement.

Ineligible costs

Annex 4 of the Royal Decree of September 11, 2016 concerning the non-governmental cooperation defines the following costs not eligible as subsidized cost:

1. all accounting transactions not involving payments, unless they originate from a legal obligation borne by the intervention;
2. provisions for risks and charges, losses, liabilities or potential future liabilities;
3. debt or debit interest unless such interest are the direct consequence of a delay in payment of a debt under the terms of Article 32 of the Royal Decree, which exceeds two months;
4. impaired debt-claims, including real or estimated losses, caused by non-recoverable funds and other receivables, included the legal costs to recover those funds or receivables;
5. exchange losses;
6. loans to third parties;
7. guarantees and sureties;
8. expenses already covered by another subsidy;
9. invoices from other organizations for goods and services already subsidized;
10. contracts for subcontracting or consultancy for key tasks in the program, project, synergy project or partnership project of the governmental cooperation, which belong to the "core business" of the subsidized organization;
11. outsourcing through service or consultancy contracts to employees or members of the Board and General Assembly of the subsidized organization;
12. sublease of all kinds to itself;
13. the purchase of land and property, unless those purchases are indispensable for the achievement of the objectives of the intervention, and on condition that the ownership at the end of the program is transferred to a partner;
14. expenses resulting from compensation in response to a claim arising from civil liability of the organization;
15. severance pay for not worked notice period;
16. expenses related to expatriation (relocation, installation bonus, tickets for the spouse and dependents) for contracts less than twelve months;
17. the purchase of alcoholic beverages, tobacco and derivative products.

Procurement and purchase procedures

Quotations

- Goods or services (including transport) purchased as part of university cooperation for development must meet the highest value for money standards.
- For purchases of goods or services (and so also service contracts, consultancy fees etc) in Belgium, the Public Procurements Act applies. The choice of any given proposal must be justified.
- For major purchases (more than 5.500 EUR excluding VAT) of goods or services (and so also service contracts, consultancy fees etc) outside of Belgium, at least three quotations must be requested based on the same document to permit comparison. The choice of any given proposal must be justified. All things being equal, the best value for money proposal will be selected.

Import duties

- Import duties are payable by the partner institution or institutions. The Flemish higher education institutions will ask their partner institutions to take the appropriate steps vis-à-vis local governments to ensure the success of the activities. This mainly relates to activities with regard to exemption from import duties, customs clearances, installation, maintenance and insurance of the imported goods and equipment. Exceptions are possible, subject to the approval and provided extensive arguments are submitted.

VAT

- Value added tax should not be charged on purchases made in Belgium intended for **export** to the partner country. The actors involved in the execution of the project must take the appropriate structural steps with regard to exemption from VAT on all purchases in the stated project, based on the VAT exemption number of the Flemish higher education institution.
- VAT may however be charged to the project budget for minor purchases of no more than 125 EUR. The rationale behind this distinction in financial guidelines is that it stressed rationality and efficiency, specifically the efforts of the Flemish promoter and the supplier to obtain exemption from VAT is disproportionate to the VAT amount actually charged on expenditure less than 125 EUR.

Supporting documents

- Original invoices or supporting documents for all expenditure must be submitted to the registered office of the subsidised Flemish higher education institution. Copies of invoices and supporting documents for expenditure abroad are acceptable if local laws prohibit original accounting documents from being taken out of the country.
- VLIR-UOS, DGD and the Auditor's Office are entitled to inspect these documents at all times within the framework of their auditing remit. The Flemish higher education institutions must accordingly have access to these documents at all times.
- The beneficiary must maintain accounting records and supporting documentation to show all costs incurred under this grant for a period of four years after the end of *the five-year programme 2017-2021*. The accounting records and supporting documents must comply with accounting principles generally accepted in Belgium and the cooperation country.

Exchange rate

Exchange rates and calculation methods can be found in annex 1.

Account with dedicated analytical code

Local financial transactions for activities abroad must go through an account in the name of the partner institution that have signed a partnership or cooperation agreement with the Flemish institution. Only accounts at recognised banking institutions can be accepted. All transactions of VLIR-UOS budgets should be able to be distinguished in the local accountancy system by analytical coding.

Visibility

Any external communication concerning the project or programme should always mention the support of VLIR-UOS and contain the VLIR-UOS logo and DGD logo. The logos can be downloaded from the website <http://www.vliruos.be/communication>.

Labelling of goods

All goods purchased as part of the project (ICP- see B.12) must be labelled with VLIR-UOS stickers so that goods purchased with VLIR-UOS and DGD funding are clearly recognisable. These stickers are available from the VLIR-UOS secretariat.

SECTION 2: Budget lines

Overview

		ICP 2017-2021 (incremental)	GM	Scholarships	ITP
Lump sum	Allowance				bench fee*scholars*duration
	Reporting				<ul style="list-style-type: none"> • results report • list of students • declaration of receipt
Reports	B. Operational costs	X	X	X	
	B.3. Consumer goods		x	x	
	B.4. Communication costs		x	x	
	B.5. Representation costs		x	x	
	B.6. Travel costs in Belgium and locally	x	x	x	
	B.8. Local per diem	x	x	x	
	B.9. International travel costs	x	x	x	
	B.10. International overnight expenses	x	x	x	
	B.12. Other	x	x	x	
	C. Personnel costs		X	X	
	C.1. Administrative and technical staff		x	x	
	C.2. Academic staff (non-ZAP)		x	x	
	D. Scholarship costs			X	X
	D.1. Short term allowances in Belgium			x	x
D.2. Study scholarships in Belgium			x	x	
D.3. PhD scholarships in Belgium			x	x	
E. Coordination costs	X	X	X	X	

Budget lines

B. Operational costs

Definition

Operational costs are defined as “project related” costs incurred for the purchase and/or operational use of goods or services that are not depreciated in the accounts and costs directly related to a specific project activity. The costs charged to the operation of the project must be incurred in the Flemish institution or in Belgium or in the (potential) partner institution or the partner country (31 countries) as mentioned in the project proposal.

Annotated budget lines

B.3. Consumer goods

These may include non-durable laboratory equipment, chemicals, documentation, and small supplies for project-related activities.

B.4. Communication

These may include PR-related costs, phone and internet costs.

B.5. Representation costs

Representation costs are expenses incurred in representing Global Minds and ICP during public relations activities. These expenses can include meal and reception costs, costs of meetings and social activities, and gifts purchased as representation gifts. The list of ineligible costs as indicated in the standard rules and financial practices of this document is to be taken into account. As such, no alcohol, tobacco or derived products can be purchased.

The maximum acceptable representation costs (total sum of the representation costs incurred in Belgium and in one of the 31 countries) is:

- for Global Minds: 2000 EUR per year
- for ICP: 500 EUR per year

Representation costs are reimbursed subject to the submission of supporting documents. These costs must always be supported by invoices.

B.6. Belgium and local travel costs (B.6.1. and B.6.2)

Travel expenses are all costs incurred for journeys both in Belgium and in one of the abovementioned 31 VLIR-UOS countries as part of the execution of a project. Costs can be made for Belgian staff, staff from a partner institution in the South (31 countries), VLIR-UOS scholarship holders or other students who are a national of one of the 31 VLIR-UOS countries (+ Belgium) and who are registered at the Flemish university (e.g. attending an ICP master programme).

During missions, travel expenses within the city of duty (e.g. taxi costs) should be covered with the per diem allowance, and cannot be charged separately to the project budget.

Journeys within Belgium

The following allowances are granted for journeys within Belgium, subject to submission of supporting documents:

- The Flemish higher education institutions may employ their own system of kilometre allowances for project-related journeys by car, provided the institution coordinator for development cooperation (ICOS) submits an annual report to VLIR-UOS of his/her institution's rules for kilometre allowances for journeys by private car.
- Journeys by car not covered by the Flemish higher education institution's own system of kilometre allowances attract a kilometre allowance as granted to federal civil servants using a private vehicle with 7 fiscal HP for professional journeys. This kilometre allowance is regularly adjusted for inflation. Reference is made to the latest adapted allowances on the VLIR-UOS website: <http://www.vliruos.be/allowances>
- DGD will notify VLIR-UOS of any such adjustment and VLIR-UOS will in turn notify the Flemish higher education institutions.
- Train journeys: the price of the ticket in second class.
- Bus, tram or metro journeys: the price of the ticket.
- Taxi journeys: the price of the journey as shown by a receipt (only in case no other means of transport could be considered) .
- Rented vehicle journeys (group transport only): the cost incurred.

When choosing the means of transport, practicability and overall value for money must be taken into account. Good reasons must be provided for the choice of a rented vehicle or taxi. Taxis are acceptable when there is no public transportation or when heavy or multiple items need to be transported. The charging of taxi costs must always be justified.

Local journeys

These are all travel costs in one of the 31 countries in the South. The following allowances are granted, subject to submission of supporting documents:

- For journeys by car a daily allowance or kilometre allowance can be paid. A supporting document or a declaration justifying the price is requested if a project car cannot be used. This price can never be higher than the kilometre allowance granted for journeys within Belgium.
- Journeys by train, boat, bus, metro or other means of transport, attract an allowance equal to the price of the ticket.
- Local journeys by plane: a ticket in economy, plus any airport taxes and booking fees charged by the airline or travel agency. In choosing the itinerary, the elements of safety, efficiency and cost price must be taken into consideration.
- As indicated at the start of the section, during missions, travel expenses within the city of duty (local transport costs) should be covered with the per diem allowance

B.8. Local per diem

People that travel to another place (outside their city of duty) to perform duties as part of the project may receive a local per diem for expenses (transport, meals etc).

For a number of countries there is a standard (fixed) VLIR-UOS local per diem amount available. These standard amounts can be found on the VLIR-UOS website in the annexes of these financial guidelines and are set as a **maximum amount** for all interventions in those countries.

If there is no VLIR-UOS standard per diem amount for a certain country, the per diem (=lump sum) should be in accordance with the national legislation (partner country) and the local institutional scales (partner institution) up to an **amount of maximum 25 EUR per day**. The payment for a hotel stay is not included in the above mentioned per diem amount. The price of the hotel may be added, provided invoices are submitted.

B.9. International travel costs

International travel costs comprise all costs incurred for door to door journeys to one of the 31 VLIR-UOS countries (or Belgium) on official project/programme business by programme team members (Flemish and team members of local partner organisations as mentioned in the project proposal project), students whom are nationals of one the 31 countries mentioned above and are enrolled at the Flemish university³, as well as university staff or other local personnel of partner institutions or experts as described in the project proposal required to travel within the programme.

The allowance for international air journeys must be no more than the price of an **economy ticket** together with airport tax and any booking fee charged by the airline or travel agency.

The following indirect travel costs can be reimbursed for international travels to Belgium or another country (no more than three weeks):

- Compulsory vaccinations and anti-malaria drugs (consultation fees are not accepted; aspirins, immodium, mosquito spray, touristil and other household drugs are not acceptable)
- Travel costs: Transportation to/from the Embassy/diplomatic post
- Visa costs: For everyone visiting Belgium in the framework of a VLIR-UOS project or -programme the [visa application procedure with a DGD certificate](#) should be followed. This procedure allows exemption of the visa application fee and, in case of a long term visa, also exemption of the retribution fee. In general these costs can **not** be submitted as part of the financial report. However, in a number of (the 31) countries (1) there is no Belgian diplomatic post that can issue visa or (2) the Embassy outsourced the visa service to an external company (VFS or TLS). If this is the case,
 1. the visa application fee will have to be paid and can be reimbursed (and can be part of the AFR)
 2. an administrative fee will have to be paid and can be reimbursed (and can be part of the AFR)
- Passport costs
- Costs of obtaining the appropriate certificates
- Costs of travel- and cancellation insurance
- Transfers to and from the airport

B.10. International overnight expenses

Per diem

An international per diem is a fixed daily allowance paid during a stay as part of the execution of a project in a country other than the country of residence. The amount is dependent on the country of destination and is intended to compensate the costs of meals, transportation within the city or place of stay and

³ See exceptions on page 6

personal expenses. The amounts stated are granted regardless of the academic degree of the person involved. A per diem may be settled per overnight stay. There is no per diem for travel days.

The per diem allowances⁴ (list of Federal Public Service Foreign Affairs) can change once a year. The latest overview can be found on the VLIR-UOS https://www.vliruos.be/en/documents/guidelines_and_forms/131#general-guidelines-and-forms. If the per diem amount in the list is lower than 37 EUR, a per diem of maximum 37 EUR can be paid.

The per diem is granted proportionate to the number of nights spent in the foreign country, with a **maximum of 21 nights**.

A per diem cannot be granted to VLIR-UOS scholarship holders, who receive a monthly or daily allowance.

Hotel costs

Hotel costs only refer to costs incurred for nights in a hotel. Costs of meals, mini-bars, phone bills, internet etc. incurred in the hotel are covered by the per diem.

The hotel allowances usually change at least once a year. The latest overview can be found on the VLIR-UOS website: <http://www.vliruos.be/allowances>

The amounts in the table for hotel allowances available on the VLIR-UOS website are indicative. Hotel costs must always be settled, subject to the submission of invoices. Please use the amounts in the table when drawing up the budget for hotel costs.

A **maximum of 21 nights** stay in a hotel may be reimbursed as part of this arrangement.

B.12. Other

Only to be used for operational costs not fitting under B.4., B.5., B.6., B.8., B.9., B.10. For example: Development of online course modules, database, student welcoming activities, etc. Details regarding the nature of foreseen expenditure should be provided.

All costs related to event **catering** in the framework of an activity like a training, a workshop, an information session, a conference, alumni event, etc. are considered other operational costs. This however does not concern individual meals of promoters with a counterpart which are to be paid from the representation costs (see B.5.).

ICP only: Costs in order to acquire equipment (e.g. notebook) are to be avoided but can exceptionally be accepted under operational costs if:

- the total cost is limited
- the cost was budgetted within the approved budget proposal of the **ICP incremental project**
- expenses are made during 2017 or 2018

No further special guidelines have been drawn up.

⁴ The per diem amounts are linked to amounts established and revised annually by the Federal Public Service Foreign Affairs in Belgium. DGD must formally notify VLIR-UOS of any revisions without delay. The date on which these revisions become effective is established by Ministerial Decree. The new amounts apply to VLIR-UOS projects from the first day of the month two months after their date of publication in Moniteur Belge/Belgisch Staatsblad. VLIR-UOS informs all stakeholders of any revisions and the date they become effective.

C. Personnel costs

Definition

Global Minds
ICP

All costs connected to the employment of persons during the project implementation as indicated in the agreement must be budgeted under budget line C. Personnel costs.

This budget is to be used as efficiently as possible and, as a general principle, to be kept to a minimum. These costs cannot replace academic payroll costs and should

focus on specific project or programme support and needs.

The general principle is that the wages for the **academic staff (ZAP)** that bears responsibility for the implementation of the project or programme (promotor) **cannot be included in the programme budget, not even partially**. Costs for temporary, non-ZAP academic personnel however, can be financed. The allocation of these costs should be in line with the project or programme objectives and strategy.

Personnel related costs as referred to in and accepted by these guidelines, are those that are mainly linked **to technical and administrative support activities in Belgium or, if relevant and only for ICP-projects, in the partner country (in one of the 31 VLIR-UOS countries)**. This means that administrative and technical staff can be funded.

Annotated budget line

C.1. External experts

If external experts (i.e. experts that are not contractually employed by a Flemish or ICP partner institution) are involved in the execution of certain aspects of the project in the Flemish or ICP partner institution, the associated costs may be charged to the project budget within the foreseen project duration. The allocation must occur on the basis of a (service) contract that is always limited in time, strongly activity related and in line with the project strategy (ICP programme: integration of south component) or the programme strategy (Global Minds: university cooperation for development capacity building).

Apart from the reimbursement of travel expenses and board and lodging costs, a fee can be awarded in exceptional cases and provided explicit justification but it is not advised to do so. Visiting lecturers from the Flemish university or other units of the (potential) ICP partner universities to the (potential) ICP partner institution in the South do not receive any fee, other than the reimbursement of travel expenses and board and lodging costs.

C.2. Academic staff

The employment or subsidising of (temporary, non-ZAP) academic staff members at the Flemish institution may be paid through the project budget within the project duration, in line with current pay scales and social insurance arrangements.

The employment or subsidising of (temporary) researchers or academics (at the ICP partner institution) may be (partially) paid through the project budget within the limits of the project duration. With respect to local staff on an employment contract, local pay scales and social insurance arrangements must be observed by the local institution.

A local academic who is contracted to the ICP partner institution on the basis of an employment contract and who is involved in the project for a specific activity, can receive a topping-up of his/her wage that cannot exceed 40% of the gross wage paid to such employees by the local institution in accordance with the prevailing pay scales. Payment of this topping-up must be justified with a copy of the salary slip showing that person's wage. This category can only be paid if considered instrumental for the success of the project and is to be kept as limited as possible, as it is generally understood that standard academic responsibilities as part of a normal academic position are not additionally rewarded.

C.3. Administrative and technical staff

If staff members of the Flemish institution or ICP-partner institution (in one of the 31 VLIR-UOS countries) execute certain aspects of the project other than the scholarship administration (ICP), the associated costs may be charged to the project budget within the foreseen project duration. The allocation must occur on the basis of a contract. With respect to employees on an employment contract, the institution's pay scales and social insurance arrangements must be observed. Staff can exceptionally be employed on the basis of a service contract on the condition that this is clearly activity related and limited in time.

Students can be engaged for the execution of specific project related tasks within the framework of Global Minds. The job student is contracted following the employment procedures within the Flemish institution.

D. Scholarship costs

Global Minds

Scholarship programme

Definition

Costs relating to scholarship students are recognised under D. Scholarship costs.

Scholarships are granted in support of the selected master (ICP) and training (ITP) programmes. Scholarships can also be granted as part of the Global Minds Programme only if the scholarship contributes to capacity building of the Flemish institution.

All payments to scholars must be grouped under D. Scholarship costs. A detailed calculation has to be included in the scholarship costs budget, based on the VLIR-UOS scholarship cost scales for scholarships in Flanders or based on other scales for local scholarships. The scholarship type and the number of scholarship months must also be stated.

Guidelines and allowances

Scholarships in Belgium

Allowances and guidelines for scholarships facilitating a stay in Belgium are available as a separate document to be found on the VLIR-UOS website: https://www.vliruos.be/en/documents/guidelines_and_forms/131#general-guidelines-and-forms

PhD scholarships for EEA⁵ students

The guidelines for the VLADOC scholarships are applicable to PhD scholarships with fieldwork in the Global South (one of the 31 countries of the VLIR-UOS country list) that the universities wish to provide to **EEA researchers** as part of their **Global Minds** programme. The PhD scholar is connected to the Flemish university and receives a scholarship allowance in line with local pay scales and social insurance arrangements, as well as a travel allowance and a limited research/supervision allowance.

Sandwich PhD scholarships for nationals of the 31 countries of the country list

Recipients of a Sandwich PhD scholarship are registered as students at the Flemish university but are connected to their home university as academic staff members through an employment contract. They conduct their doctoral research at the Flemish institution outside any subsidiary relationship. Allowances paid as part of a Sandwich PhD Scholarship are therefore not subjected to social security contributions (RSZ). Allowances and guidelines can be found on the VLIR-UOS website: https://www.vliruos.be/en/documents/guidelines_and_forms/131#general-guidelines-and-forms

Global Minds

Sandwich PhD scholarships for South scholars in the framework of GM are in line with the ICP PhD scholarship guidelines, but limited to the 31 countries of the country list.

Bearing in mind the requirement to define the Global Minds programme in relation to the Training and Scholarships programme within the Belgium programme, South scholarships that an institution wishes to provide for as part of GM must be limited in numbers and must not contradict the rationale and results of current and completed South interventions of VLIR-UOS (no recruitment of IUS researchers, for example).

Sandwich PhDs can be provided to South scholars who are affiliated with an institution in the South but the instrumentality of this scholarship type for the Flemish institutions' own capacity building must be clearly motivated. Within the framework of Sandwich PhDs for South scholars, local scholarship allowances are paid when the research is taking place at an institution in one of the 31 countries in the South (local). If a system of local scholarships already exists in the country (funded locally or by other donors), it must be used as a basis for calculation. In the absence of such a system, the amount of the scholarship must be based on a realistic estimate of the local cost of living. The amount of the allowance may never exceed the amount of the scholarship granted in Belgium. The scholarship guidelines are applicable to these scholarships: <https://www.vliruos.be/scholarshipguidelines>.

Travel Grants

The **travel grants (REI) programme** is part of the Global Minds programme since 2017. The country list of 31 countries applies to REI (students), with the addition of Suriname for 2017-2021 and India for

⁵ In principle nationals of the **European Economic Area** are eligible to apply for this type of PhD scholarship but applications of candidates with another nationality (one of the 31 countries of the VLIR-UOS country list) are not automatically ineligible. The challenge here is to view the nationality and country of residence of the candidates in the light of the specific objectives of these scholarships, without discrimination. Obviously organising a brain drain of South candidates can never be the goal. However, given the globalised society, a Congolese or Ethiopian living in Belgium with no affiliation to VLIR-UOS South projects may compete alongside e.g. Belgians or Dutch people. If they do not intend to return to their own country, the rules of the Flemish university are followed and the country of origin is not considered, contrary to the procedure for the South scholars (Sandwich PhD).

2017. The financing system is based on a maximum amount (1000 EUR) per travel grant, and for the university colleges a distribution system based on the number of students. The grant can be seen as a lump sum for which no supporting documents need to be provided.

The institution-specific arrangements with regard to the amount and the management of the institutional REI programme are stated in the GM project plans. VLIR-UOS no longer launches a general REI call but provides [guidelines](#) that the institutions can use to develop and launch their own call.

Implementation

In view of the implementation cycle, the projects and programmes terminate on 31 December of year 'X' while courses in the Northern hemisphere tend to finish in September (academic year). Scholarships need to be allocated under the correct budget year between 1st of January and 31st of December.

E. Coordination costs

Definition

The coordination costs can never exceed 10% of the initially planned budget. These costs are considered a lump sum amount in both budgeting and reporting, whereby the latter implies that, in principle, these expenses do not need to be accounted for by detailed supporting documents for individual expenses, since proof has been given by VLIR and accepted by DGD that the amount charged to DGD (max. 10%) is in any case lower than real expenses at the level of the Flemish higher education institution.

The Flemish higher education institutions are accountable for these amounts and, if required during an external audit or control by DGD, supporting documents need to be available at the level of the Flemish higher education institutions in order to justify this type of costs.

As approved by DGD, supporting documents for this type of costs are:

- A description of the overhead regulation at the level of all Flemish universities, provided by VLIR and VLIR-UOS;
- The project agreement between the institution, the project promoter and VLIR;
- An acknowledgement of receipt, signed by the representative of the institution.

The coordination costs consist of the costs directly ensuing from the implementation of the programme pursuant to the use of the premises, infrastructure and/or services of the Flemish institutions and of relevant ICP partner institutions and connected with the administration and coordination of programme execution. The coordination costs are either fixed on the basis of the approved budget (ICP, ITP) or calculated on the basis of the actual project/programme expenses (GM, Scholarships, ...). More details can be found in the agreements concerned.

All costs connected with the general administrative management and coordination of project execution are covered here, which means that they cannot be charged separately (e.g. costs of sending documents, phone costs, costs of copying/printing reports etc).

Annex 1: Exchange rate calculation

Method

- Year 1: per money transfer
 - **Gross** what was debited from the Belgian account in EUR (a)
 - **Net** what was credited to the local account in local currency (b)
 - So, bank charges relating to the transfers have already been processed in the exchange rate calculation
 - Weighted average exchange rate: $(\Sigma a) / (\Sigma b)$
 - Reconciliation
- Year 2 and beyond
 - Same as year of operation 1
 - But also value balance in local currency on the local account at previous year's weighted average exchange rate
 - From this balance the balance of the local coordination cost (the amount unspent of E2)
 - Reconciliation

Example

- Year 1:
 - Transfer 1: 10.000 EUR (10.056 EUR from Belgian account), 12.800 USD net on local account
 - Transfer 2: 15.000 EUR (15.064 EUR from Belgian account), 18.050 USD net on local account
 - After year 1 the local account contains 5.075,00 USD, from this amount 1.000.00 USD of the E2 received in year 1 was not spent.
- Year 2:
 - Transfer 3: 12.000 EUR (12.030 EUR from Belgian account), 14.333 USD net on local account
- Exchange rate calculation:

<i>Year 1</i>	EUR	USD
Transfer 1	10.056,00	12.800,00
Transfer 2	15.064,00	18.050,00
Total	25.120,00	30.850,00
Year 1 exchange rate	0,8143	
<i>Year 2</i>	EUR	USD
Balance on local account	3.318,27	5.075,00 – 1,000,00
Transfer 3	12.030,00	14.333,00
Total	15.348,27	18.408,00
Year 2 exchange rate	0,83378	

Annex 2: Reporting deadlines and formats

VLADOC (old intervention type – till 2020)	<p><u>Financial report</u>: deadline 28/02 year X+1</p> <p>The institution submits a financial report with an overview of the different allowances and costs.</p> <p>Format can be found on the website.</p> <p><u>Annual progress report</u>: deadline 1/10 (yearly)</p> <p>Every year the VLADOC scholar submits a report with reference to the progress of the research, including an evaluation by the promotor. The scholar also submits a final report 6 months before the scholarship ends.</p>
Global Minds	<p>The <u>project report</u> (APR + AFR) is to be submitted by the 31st of March of the year 'X+1'.</p> <p>The <u>Annual Programme</u> (AP, plan for a next activity year X+1) will need to be submitted by August 31st of year X.</p> <p>Formats for the project report and annual programme can be found on the website.</p>
International Master Programmes (incremental project)	<p>The <u>project report</u> (APR + AFR) is to be submitted by the 15th of March of the year 'X+1'.</p> <p>The <u>Annual Programme</u> (AP, plan for a next activity year X+1) will need to be submitted by July 31st of year X (from 2018 onwards).</p> <p>Formats for the project report and annual programme can be found on the website.</p>
International Training programmes	<p><u>Annual report</u>: deadline 15/03 year X+1</p> <ul style="list-style-type: none"> - Result report - Overview of students attending the programme + results - Declaration of receipt - Evaluation (intermediate results) <p>Formats can be found on the website.</p>
Scholarship programme	<p><u>Financial report</u>: deadline 31/03 year X+1</p> <p>The institution submits a financial report with an overview of the different allowances and costs.</p> <p>Format can be found on the website.</p> <p><u>Project report</u>: see ITP and ICP</p>

	<p><u>Annual progress report</u>: deadline 1/10 (yearly) – unless other arrangements are made with the scholar and promotor</p> <p>Every year the ICP PhD scholar submits a report with reference to the progress of the research, including an evaluation by the promotor. The scholar also submits a final report 6 months before the scholarship ends.</p>
--	---