

## FINANCIAL RULES FOR ORGANIZATIONS APPLYING FOR NATO SUBSIDIES FOR PUBLIC DIPLOMACY PROJECTS OR PROGRAMMES

1. In order to adhere to the spirit and letter of NATO's financial regulations, the following guidelines have been developed. These rules apply to external organizations seeking subsidies for public diplomacy projects and programmes via NATO's Public Diplomacy Division.
2. In order to be eligible for a NATO subsidy, external organizations are expected to submit written budgets that clearly indicate the elements of cost to be covered by the subsidy, as well as program outlines of the event.
3. In principle, NATO's Public Diplomacy Division may provide up to 100% sponsorship for activities with a budget of € 10,000 or less. Requests in excess of this amount will be covered to a maximum of 50%. Exceptions to this rule can be reviewed by the NATO Authority with a full explanation or justification by the requesting organization. For such cases, the duly completed application form and the justification must be received at least six weeks prior to the inception of the public diplomacy project and will be judged on a case by case basis.
4. In general, only the following expenses can be accepted for reimbursement by NATO:
  - Interpretation equipment rental;
  - Interpretation and translation services;
  - Production and distribution of programmes/invitations and conference packages;
  - Administrative expenses incurred by the project partner but only when directly related to the activity;
  - Costs associated with ensuring the promotion and visibility of the activity, but only where such expenses are clearly detailed, e.g. photography, production costs (video or internet), e-material costs, broadcasting costs;
  - Transportation by the most direct and less costly route to and from the subsidized activity, including local transportation;
  - Hotel accommodation;
  - Meals, coffee breaks, and receptions, when directly linked to the activity, and up to a maximum of 25% of the total NATO-approved budget;
  - Rental of Event Facilities;
  - Equipment Rental;
  - Staff Salaries of the requesting organization directly related to the administrative organization of the activity, and up to a maximum of 5% of the total NATO-approved budget<sup>1</sup>; and
  - Fees for special services directly related to the activity, but only where such expenses are clearly detailed and deemed acceptable.
5. Payment of subsidies by NATO will normally be made in **two instalments of 50% each**. To facilitate payment, organizations must provide, in writing, complete address and account number (including IBAN, SWIFT/BIC) of the organization's receiving bank at the time when the written budget is submitted. Payments should generally be made to the project partner's bank account by bank transfer and, in principle, will not be transferred to private or personal bank accounts.

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<sup>1</sup> Staff Salaries directly related to the administrative organization of the activity must be calculated according to the following: staff name, hours worked, salary per hour worked. Expenses related to Staff Salaries must be certified by appropriate documentation and must be signed by the project partner's Financial Officer or equivalent.

6. The first payment will be made upon initial authorization by NATO authorities. Allocation of the second payment will be made only upon receipt by NATO of acceptable evidence of expenditures in line with the budget previously approved by the Public Diplomacy Division. **Please send 3 copies of all receipts – the original receipts plus two copies.** Such evidence is normally shown by original paid invoices, airline ticket invoices, hotel receipts, etc. which demonstrate that expenditures have been incurred and payments made. When original invoices are unavailable, three copies of original invoices certified and signed by the organization's financial officer or equivalent will be accepted. "Pro forma" bills, bank statements and copies of payment orders, which show no detail or breakdown of costs, will not be accepted. The same applies to lists of expenses **without** corresponding bills. Please note that daily allowances or "per diem" will not be covered by NATO.
7. In case of change of date and/or title and/or object of activity the project partner must immediately inform the responsible Information Officer in writing. If the activity is postponed to another fiscal year, the project partner will be requested to reimburse the advance paid.
8. All receipts should be submitted in French or English, the two official NATO languages. Originals in any other language must have all key components translated into English or French by the sending organization before processing of payment can begin.
9. Failure of an organization to submit invoices - or other credible evidence - of the budgeted expenditures, within a reasonable period after the end of the activity (no later than three months after the project and preferably within the same calendar year), may lead to cancellation of payment of the second half of the subsidy. It may also jeopardize any future NATO support of the organization's activities. If, after receiving the first half of the NATO subsidy, the external organization fails to hold the public diplomacy project or to duly justify the approved expenses, NATO will seek reimbursement of these funds.