

NATO PUBLIC DIPLOMACY DIVISION

FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS

FINANCIAL AND REPORTING PROCEDURES

Version 10 May 2021

CONFIRMATION LETTER

1. Should an application be approved by NATO, a confirmation letter, is issued by the PDD Program Officer advising the partner organization of the decision and detailing the conditions of the financial support. Additional or adapted procedures, terms, and conditions may be set out in the confirmation letter.
2. This confirmation letter must be countersigned by the partner organization and returned to PDD's Project Officer, within 14 days to indicate acceptance of the grant.
3. The countersigned confirmation letter, its appendices and documents included in it by reference, together with the financial procedures, form the contract between NATO on the one side and, on the other, the partner organization to whom the financial support is formally made.

CHANGES POST CONFIRMATION

4. No changes to the dates and/or title and/or object of NATO subsidized projects, events or activities activity may take place without the express authorization of NATO. If the activity is postponed to another fiscal year, the recipient will be requested to reimburse the advance paid. A new request can be submitted for the following budget year and assessed in line with evolving priorities.

REPORTING

5. Together with NATO (co)sponsorship comes also the obligation for the organiser to conduct post-event assessment. The assessment report must be aligned with the initial approved content structure and budget and it has two phases:
 - The Initial Assessment Report Form must be submitted to the NATO Public Diplomacy Division electronically no more than two (2) weeks following the event/completion of the project;
 - The Consolidated Final Report (Final Report Form, Detailed Budget Table Excel File, all supporting documents of the expenses) must be submitted to the NATO Public Diplomacy Division no more than two (2) months following the event/completion of the project, electronically in a single editable PDF file. The Detailed Budget Table must be provided in editable Excel format.
6. The payment of the balance amount will be based on the evaluation of the Consolidated Final Report. When reporting, the beneficiary must certify that:
 - the information provided is full, reliable and true;
 - the costs declared are eligible;
 - the costs can be substantiated by adequate records and supporting documentation that will be produced upon request and attached to the initial and final report .

NATO PUBLIC DIPLOMACY DIVISION
FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS
FINANCIAL AND REPORTING PROCEDURES
Version 10 May 2021

FINANCIAL PROCEDURES

7. Eligible Expenses. Only the following expenses – invoiced by third parties – can be accepted for reimbursement by NATO:

- Interpretation and translation services;
- Interpretation equipment rental;
- Production and distribution of programmes/invitations, conference packages and post-activity proceedings;
- 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, economy class airfares only for speakers/recipients;
- 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;
- Online activity services and advertisement
- Other costs directly related to the activity, but only where such expenses are clearly detailed in the application and accepted by NATO

8. Ineligible Expenses are those which do not fall within the aforementioned Eligible Expenses. More specifically, and without limitation to the above, the following are Ineligible Expenses:

- Direct and indirect costs already reimbursed or to be reimbursed under other NATO grants or contracts;
- Costs incurred before the grant application was submitted or before the specific reference date for the eligibility of costs that might be specified by NATO;
- Costs that are not properly documented;
- Luxury goods and gifts;
- Financial carrying charges;
- Membership fees;
- Fixed operating costs of the NGO in question, such as phone, internet, electricity, heating, gas, office rent nor other office support related expenses;
- Immunizations and other medical expenses for project personnel, unless detailed in the application and approved by NATO; and
- Costs related to non-authorized accompanying family members or other non-project related personnel.

9. Administrative and staff costs will be collectively limited to a maximum of 20% of the total NATO grant.

NATO PUBLIC DIPLOMACY DIVISION

FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS

FINANCIAL AND REPORTING PROCEDURES

Version 10 May 2021

10. Unless otherwise specified in the terms and conditions of the grant, payment of subsidies by NATO will be made in two parts of which the first payment is an advance of 50% and the balance payment is made in accordance with point 13. To facilitate payment, organizations must provide, in writing, complete address and account number (including IBAN, SWIFT/SIC) of the organization's receiving bank at the time when the written budget is submitted. Grantees will bear the cost of any bank refunds and additional transfers that may be required as a consequence of the provision of incorrect or incomplete bank account information.
11. Payments will be made to the grant recipient's bank account by bank transfer. Grant funds will not be transferred to private or personal bank accounts, unless otherwise authorized by OFC in exceptional and fully justified cases. Grantees will bear any fees charged by their banks for the receipt of grant funds.
12. In cases where adjustments to amounts in certain budget categories become necessary, a request for adjustment should be submitted to NATO as soon as possible, preferably before the start of the event. It is not possible to request an increase in the overall sponsorship amount.
13. The first payment will be made within 15 days following 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. The grantee must send the Final Report (content assessment and the financial evidence) digitally via email. The content assessment is the quantitative and qualitative analysis of the project and it must be presented and described according to the Final Report Form. Financial evidence accompanies the Budget Table and it 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, a copy of the 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.
14. All receipts should be submitted in English or French, 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. Additionally, a cost summary per budget item category must be provided so that declared costs can be easily identified and verified. NATO reserves the right to request any additional documents if judged necessary. The final report budget must be aligned with the initial approved budget as provided by NATO with the confirmation letter. All evidence (invoices, contracts, travel tickets, etc.) must be referenced and this reference number must be stated in the first column of the final report budget.

NATO PUBLIC DIPLOMACY DIVISION

FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS

FINANCIAL AND REPORTING PROCEDURES

Version 10 May 2021

15. Failure of a recipient to submit the content report and invoices - or other credible evidence - of the budgeted expenditures, within a reasonable period after the end of the activity (the initial assessment report must be sent after two weeks and the final report no later than two months after the end of the approved project, event or activity), may lead to cancellation of payment of the second half of the subsidy. It may also jeopardize any future NATO support of the recipient's activities. If, after receiving the first half of the NATO subsidy, the recipient fails to carry out the public diplomacy project, event or activity on the dates specified in the grant documentation or to duly justify the approved expenses, the recipient must reimburse the stated subsidy.
16. Payment of a grant is discretionary and shall be the limit of NATO's financial liability to the recipient in respect of the project, event or activity identified in the grant application form or confirmation letter. NATO accepts no liability for any consequences, whether direct or indirect, that may come about from the use of the grant or from variation, withdrawal, withholding or suspension of the grant.
17. The recipient shall at all times hold harmless NATO, its agents, representatives and employees from any and all suits, claims, charges and expenses which arise from any acts or omissions of the recipient, its agents, representatives, employees or subcontractors.
18. NATO reserves the right to withhold any or all of the grant, or require part or full repayment of any grant already paid, if at the time of making the application or at any time prior to the start of the project, event or activity, the grant recipient:
 - a) has ceased or ceases its operations;
 - b) is in or goes into liquidation, administration, receivership, bankruptcy or any equivalent procedures in any jurisdiction to which it is subject;
 - c) is or becomes the subject of a proposal for a winding up order or any other insolvency procedure including individual voluntary arrangement and company voluntary arrangement; or
 - d) is or becomes indebted to NATO.
 - e) if — after the payment of the balance (in particular, after checks, reviews, audits or investigations — the PDD rejects costs or reduces the grant, it will calculate the 'revised final grant amount'.

This amount is calculated by the PDD on the basis of the findings, as follows:

- in case of rejection of costs: by applying the reimbursement rate to the revised eligible costs approved by the PDD;
 - in case of reduction of the grant: in proportion to the seriousness of its breach of obligations
- f) In case of rejection of costs and reduction of the grant, the revised final grant amount will be the lower of the two amounts above.

19. NATO also reserves the right to vary or withhold any or all of the grant, and/or require part or full repayment of any grant already paid, if:

NATO PUBLIC DIPLOMACY DIVISION

FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS

FINANCIAL AND REPORTING PROCEDURES

Version 10 May 2021

- a) the recipient fails to comply with the terms and conditions specified in this document, grant application form and grant confirmation letter;
 - b) the recipient provides any materially misleading, false or inaccurate information on the grant application and justification documents;
 - c) the recipient causes embarrassment or takes any action which unfairly brings or is likely to unfairly bring NATO's name or reputation and/or NATO into disrepute;
 - d) the recipient engages in tax evasion or aggressive tax avoidance, fraud, corruption or collusive practices; or
 - e) the recipient commits or committed an act prohibited by the NATO regulations.
20. If any of the circumstances set out in the paragraph above arise, the recipient may also be excluded from future involvement in the Public Diplomacy Division financial assistance programmes and/or any other grant scheme operated by NATO.
21. Where NATO requires any part or the entire grant to be repaid in accordance with these rules, the recipient shall repay this amount no later than 30 days of the date it received the demand for repayment. If the recipient fails to repay the grant within 30 days of a demand for repayment, the sum will be recoverable summarily as a civil debt.
22. The recipient must have a sound administration and audit process, including internal financial controls to safeguard against fraud and theft. All cases of fraud or theft (whether proven or suspected) connected with a NATO grant or NATO funded activity must be notified to NATO as soon as they are identified and the recipient shall:
- a) explain to NATO what steps are being taken to investigate the irregularity;
 - b) keep NATO informed about the progress of such investigation; and
 - c) provide any information requested by NATO in relation to any irregularity notified to it.
23. The recipient must have and will keep in place adequate procedures to manage and monitor any actual or perceived bias or conflicts of interest. Neither the recipient nor its personnel shall engage in any personal, business or professional activity which conflicts or could conflict with any of their obligations in relation to a NATO grant or funded activity.
24. The recipient shall comply at all times with its obligations under data protection legislation. On request, the recipient shall provide NATO with all such relevant documents and information relating to the recipient's data protection policies and procedures as NATO may reasonably require.
25. The recipient shall provide NATO with all reasonable assistance and co-operation in relation to any information, explanations and documents as it may require from time to time, so that it may establish if the recipient has used the grant in accordance with the terms and conditions of the grant and applicable

NATO PUBLIC DIPLOMACY DIVISION
FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS
FINANCIAL AND REPORTING PROCEDURES
Version 10 May 2021

regulations. The recipient shall provide the NATO with any information requested pursuant to this clause within ten (10) working days of its request.

26. The recipient shall retain all invoices, receipts, accounting records and any other documentation (including but not limited to correspondence) relating to amounts paid on NATO eligible costs for a period of five (5) years from the fiscal year in which the recipient received the grant. If there are on-going checks, reviews, audits, investigations, litigation or other pursuits of claims under the Agreement the beneficiary must keep the records and other supporting documentation until the end of these procedures.

The beneficiary must keep the original documents. The Agency may accept non-original documents if it considers that they offer a comparable level of assurance.

27. The recipient shall permit any person authorized by NATO reasonable access during the period for the retention of records set out in the paragraph above, subject to reasonable notice, to its personnel and records for the purposes of monitoring the recipient's fulfilment of its obligations under these rules.

28. The NATO name or logo cannot be used by the recipient without the express, written consent of NATO. The Program Official/Project Officer identified in the confirmation letter can assist with facilitating such a request. It is the responsibility of the recipient to request consent for use of the name or logo in sufficient detail to ensure a complete depiction and disclosure of all uses of NATO name or logo. In all cases for utilization of NATO name or logo, the recipient must ensure written consent is received.

29. The recipient will notify NATO as soon as reasonably practicable of any actual or potential failure to comply with any of its obligations under these rules.

30. The recipient will not transfer, assign, novate or otherwise dispose of the whole or any part of its rights and obligations under a NATO grant to another organisation or individual without NATO's prior approval.

31. By accepting a NATO grant, the recipient confirms that it has been notified by NATO prior to the grant acceptance to the effect that NATO, including its personnel, assets, and facilities, enjoys immunity from jurisdiction and execution in all member states of the Alliance.

32. Right to carry out reviews and audits

NATO may carry out audits directly (using its own staff) or indirectly (using external persons or bodies appointed to do so). It will inform the beneficiary of the identity of the external persons or bodies.

NATO PUBLIC DIPLOMACY DIVISION

FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS

FINANCIAL AND REPORTING PROCEDURES

Version 10 May 2021

ANNEX 1: HOW TO PREPARE THE REPORTS

As NATO's Public Diplomacy Division requires timely feedback from grantees for reporting purposes, grantees are requested to provide this feedback in two stages: an initial assessment report and the final report. Further guidance is below.

Initial Assessment Report

No later than two weeks after the completion of the project, the organisers of the project will fill-in the Initial Assessment Report Form, evaluating the effects and results of the activity and documenting the efforts taken to promote NATO, including NATO visuals. This report can be sent by email in Word format. This report would include:

- Project Objectives:
 - Provide a short summary of the project/event concluded.
 - What audience(s) did your project target?
 - What was the initial goal of the event and the desired outcomes (e.g. impact, perception change or change in behaviour, advocacy, etc.)?
- Project Outputs:
 - Deliverables. List any tangible products/services/publications developed as a result of the event and attach them to your report
 - Demographics of attendees. Also attach final list of participants.
 - Online viewership and metrics
 - Media and digital coverage, press clippings (give links to named online media outlets; name print publication; name TV/radio channels + potential reach - if applicable)
- Project Outcomes:
 - Please describe how the event delivered against the goal of the project and list the actual outcomes measured against the desired outcomes (e.g. impact, perception change or change in behaviour, advocacy, etc. Provide a comparative perspective of the initial goal versus actual outcome.)
 - Survey results. Make sure the participants fill in the survey provided, reach out to PDD for the survey results and attach them to this report before submitting it.
 - List any other known information or content to help NATO understand the impact of your project/event such as: key messages used; placements of NATO branding; unanticipated outcomes.

Please also provide the final list of participants and final programme and a couple of quality photos/videos in high resolution, or screenshots of social media posts where applicable.

For longer-term projects, interim assessment reports may be required. Details should be agreed with the NATO Officer responsible for the project.

NATO PUBLIC DIPLOMACY DIVISION
FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS
FINANCIAL AND REPORTING PROCEDURES
Version 10 May 2021

Consolidated Final Report

No later than two months after the completion of the project, the organisers will submit a final report. This report must include:

Part A (Finance)

- Budget Table :
Both the Financial Report and annexes submitted must fully correspond with the budget categories previously reviewed and approved by NATO's Public Diplomacy Division. All documents must contain reference numbers and must be grouped according to the categories in the report. In addition, all annexes to the financial report must be presented in the same order as indicated in that report and the approved budget.
- Itemized invoices :
Invoices must clearly identify address, phone, and name of organisation, a description/purpose of the good/service purchased/rented, and date of transaction. All receipts/invoices can be presented on photocopied pages as long as they are numbered and a clear reference is made to the listing presented in the final report. Multiple receipts/invoices can be photocopied on the same page, so long as they are legible and labelled as outlined above. Dates on invoices/receipts must correspond to date of event.
- Detailed Budget Table :
The Excel Detailed Budget Table provided must be properly filled-in to reflect a detailed budget breakdown of the expenses from the report's budget table form and to capture the references of the financial evidences attached. Feel free to edit the table to fit your reporting needs and add as many rows as possible, to reflect all the financial evidences attached. The table must be sent in editable format together with the Final Report Form and the Itemised Invoices.
- Bank Information: A signed and dated document certifying current bank details.
- Translation of documents. In the event that the originals are not in French or English, all essential elements must be translated.

NATO PUBLIC DIPLOMACY DIVISION
FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS
FINANCIAL AND REPORTING PROCEDURES
Version 10 May 2021

Part B (Project Implementation and Assessment)

- An updated version of the initial assessment report provided to NATO;
- A consolidated report of the survey results;
- Final Programme of the event;
- The final list of participants who attended the event. Add also a list of participants for all meals and accommodation for which NATO provides financial assistance (if applicable).
- If needed, please submit any additional comments.
- Translation of documents (if applicable).

NATO PUBLIC DIPLOMACY DIVISION
FINANCIAL SUPPORT TO EXTERNAL ORGANISATIONS
FINANCIAL AND REPORTING PROCEDURES
Version 10 May 2021

ANNEX 2: VISUAL ACKNOWLEDGEMENT OF A NATO CONTRIBUTION



The recipient of NATO's subvention will acknowledge it during the event, as well as in the conference proceedings. The aim of the visual acknowledgement of a NATO contribution is to ensure that NATO's role in supporting the event or project is publicly recognized.

Under no circumstances should the recipient of a (co)sponsorship project use the NATO logo in such a way as to lead audiences to perceive the respective external event or publication as one of NATO's official activities.

The use of the NATO logo is governed by [NATO's visual identity guidelines](#). As a general rule, the visual recognition of the NATO contribution to publications and conference material produced by third parties consists of the NATO logo, standard size of 1.5cm x 3cm varying in proportion to the size of the medium, followed by an acknowledgment sentence (e.g. "This event is (co)sponsored by the North Atlantic Treaty Organization").

The visual identity guidelines, along with digital versions of the NATO logo, will be communicated to you upon confirmation of your grant. (Please note: if your project is executed in support of specific NATO communications activities, NATO PDD may also provide you with access to a set of specific tools where you will find relevant guidance and resources on the implementation of these activities.)