



EUROPEAN COMMISSION
Directorate General Internal Market and Services

RESOURCES AND COMMUNICATION
Financial Resources and Internal Control

Brussels, 16/12/2011
MARKT/A2/PS/fm (2011) 1355903

– Pilot Project –
Capacity building of end-users and non-industry stakeholders in
Union policy making in the area of financial services

Call N°: MARKT/2011/175/H

Call for proposals

1. BACKGROUND AND PRUPOSE OF THIS CALL

1.1. Context

The financial services sector is a key component of the single market, crucial for the proper functioning of the European economy and for global competitiveness. A healthy and dynamic financial sector requires a solid framework for regulation and supervision, which is capable of meeting the demands of increasingly integrated financial markets in the European Union.

The financial and economic crisis which has unfolded since 2007 has significantly shaken the confidence of consumers, retail investors and SMEs in the regulations that are meant to protect them from failings in the financial system.

In such a context, it is more important than ever that the concerns of end-users and other non-industry stakeholders are taken into account in designing initiatives that aim to restore citizens' confidence in the soundness of the financial sector and in the ability of financial integration to deliver concrete benefits to them. In so doing, national public authorities, regulators or supervisors, as well as Union institutions would avoid the possible risk of regulatory capture by the finance industry. Furthermore, such plurality of views would help ensuring that the finance industry plays its full role of intermediation and allocation of capital at the service of the real economy and of society at large.

Actions have already been undertaken by the European Commission to ensure that the views of end-users and citizens are heard, notably with (i) the establishment in early 2011 of the Financial Services Users Group (FSUG) which acts as a forum where non-industry stakeholders' representatives are regularly kept informed about the financial services policy issues under development and are invited to give their views and express their concerns and suggestions on the way forward and (ii) the systematic inclusion of consumers and civil society organisations' representatives in the various expert groups set up to assist the Commission in the financial services area. Where end-users and non-industry stakeholders were under-represented particularly in expert groups dealing with very technical issues (e.g. market infrastructure, derivatives) or wholesale financial issues, a rebalancing has taken place. Besides direct participation in stakeholders groups, civil society organisations can also avail themselves of the various consultation mechanisms used by the Commission in the context of the "better regulation" approach, by contributing formal submissions for instance on green papers or draft Commission initiatives, or by providing views in meetings with stakeholders or conferences.

At this stage, despite all progress, a major obstacle remains that hinders adequate end-users and non-industry stakeholders' participation in Union policy making particularly in the area of financial services, namely the scarcity of resources and specialised expertise. Consumer bodies as well as civil society organisations do not have adequate resources to properly cover a wide range of often highly technical topics and develop the expertise to take a more proactive role in Union financial services policy making. This is unsatisfactory because the Commission cannot benefit from the widest possible range of input for its policymaking, and because its public perception is hence negatively affected.

The aim of the pilot project is, through the support provided by an expertise centre to the benefit of European end-users and non-industry associations, to enhance the latter's capacity to participate in Union policymaking in the area of financial services, with the objective of providing policymakers with other views than those expressed by the financial sector industry and of informing the wider public of the issues at stake in the regulation of financial markets for consumers, end-users, retail investors and other non-industry stakeholders.

1.2. The present call for proposals

This call for proposals aims at providing a financial contribution (operating grant) for the year 2012 for the operating and functioning of an European expertise centre in the financial services area to the direct benefit of European end-users and non-industry stakeholders. Applicants must fulfil the requirements specified in this call. They are required to fill in the application form and provide the requested documentation, including the annual work programme – and corresponding budget – for the year 2012. These two documents will form the basis for awarding the specific operating grant for 2012.

This call for proposals is open to all legal entities established in the Member States of the European Union and the European Economic Area.

2. SELECTION OF BENEFICIARIES

Each application will be assessed on the basis of evaluation criteria, which include the following categories: eligibility, exclusion, selection and award criteria.

In order to be selected, applicants must fulfil the criteria under the conditions specified in this section and provide the requested documents as evidence.

All specific requirements and supporting documents needed to evaluate each of the following criteria are defined in the Application form.

2.1. Eligibility criteria

Applicants must be European organisations:

- a) which are non-governmental, non-profit-making legal persons independent of industry, commercial and business or other conflicting interests, and have, as their primary objectives and activities, to develop and produce expertise in the area of financial services for the benefit of consumers, retail investors, trade unions and non-industry stakeholders in the European Union with the view to ensure that the financial sector is at the service of the real economy and of citizens; and
- b) which ensure, through their membership or own organisational structure, the coverage of the 27 Union Member States; and
- c) whose membership is composed of a broad cross-section of European organisations representing the interests of consumers, retail investors, trade unions and other non-industry stakeholders in the area of financial services; and
- d) which have provided to the Commission satisfactory accounts of their membership, internal rules and sources of funding.

Only proposals meeting the requirements of the eligibility criteria and fully covering all the above mentioned areas shall be evaluated further.

2.2. Exclusion criteria

Applicant organisations must not be in any of the situations of exclusion listed in Articles 93(1), 94 and 96(2)(a) of the Financial Regulation¹ and need to certify this within the application form to this call (Section V).

2.3. Selection criteria

Only applications which fulfil the criteria detailed below will be selected for the award stage.

The Commission shall have sole discretion to judge the adequacy of applicant organisations with respect to the selection criteria and where it considers this insufficient the right to reject a proposal. Submission of an application implies acceptance that the Commission's decision will be final and that it will not enter into negotiations with applicants on this subject.

The applicant's capacity will be assessed on the basis of the following:

a) Economic and financial capacity

The applicant organisation must provide information/evidence to satisfy the Commission of its financial standing and more particular to demonstrate that it has stable and sufficient sources of funding to maintain its activity throughout the financial year for which the grant is awarded.

b) Operational and technical capacity

Applicant organisation will provide sufficient information to satisfy the Commission that it has the operational and technical capacity, resources, skills and professional experience to perform the proposed work programme.

The team proposed by the applicant shall possess the following qualifications:

- At least one member of the organisation's managerial staff has specific experience (at least 10 years) of in the financial sector.
- At least one member of the organisation's managerial staff shall have specific/professional experience (at least 3 years) in the area of consumer protection.
- At least one member of the organisation's managerial staff shall have specific experience (at least 3 years) in communication or public relations.

These criteria are to be met by a team. Even though one person can in practice simultaneously meet all these criteria, this would create a risk regarding business continuity and in such a case, the organisation shall not be considered as meeting the selection criteria.

¹ http://ec.europa.eu/dgs/secretariat_general/evaluation/docs/syn_pub_rf_modex_en.pdf

The capacity/compliance with the selection criteria will be assessed on the basis of the information provided for in the application form and relevant required supporting documents.

2.4. Award criteria

The quality of the detailed 12-months work programme will be assessed on the basis of the following award criteria:

- (a) Integration of the interests of end-users and non-industry stakeholders into the European Union policy in the area of financial services, in particular through the production of expertise (e.g. conduct of research and studies, responses to consultations, participation in conferences, seminars, etc.) in that area and its sharing both with its members and the larger public (through e.g. issuing of publications, posting of information on internet website, the organising of conferences or seminars, etc).
(30 points)
- (b) Representation of end-users and non-industry stakeholders' interests in the area of financial services and expression of end-users/non-industry stakeholders' concerns to institutions, interest groups, the media and the general public.
(15 points)
- (c) Contribution of the work programme to encouraging both the organisation and its members, notably in relation with the organisation's activities, to take a more active stance on European issues with their various contact partners at both European and national level.
(15 points)
- (d) The means by which the general visibility of both the organisation and its activities is guaranteed.
(10 points)
- (e) Presentation of the work programme, in particular as regards the following aspects:
 - clarity of the objectives and their suitability for achieving the desired results
 - description of the activities planned
 - timetables.(10 points)
- (f) Cost-effectiveness and the demonstration that the budget is commensurate with the results/outcomes to be achieved by using this budget.
(10 points)
- (g) Quality of the proposed evaluation mechanisms and the result indicators to be used to verify that the objectives of the work programme have been achieved.
(10 points)

The maximum points per award criterion are stated in the brackets; the overall maximum of points being 100. The evaluation committee will consider further only those proposals that obtained at least 60 points.

3. FINANCIAL PROVISIONS

The Financial Regulation lays down the rules to be applied with a view of ensuring that the procedures for protecting Union funds are complied with. This Regulation and the associated Implementing Rules² constitute the reference documents for all the financial measures needed for this call.

Operating grants shall be granted only to finance the operating costs and expenses of the beneficiaries including the running of secretariats and the remuneration of their employees. Rules governing the costs eligible for financing are detailed in the draft grant agreement, under article II.12. Operating grants for a given year shall not exceed **60 %** of all eligible costs incurred by the beneficiaries to the fulfilment of the objective of the Pilot Project.

The indicative total amount available for the specific operating grant for 2012 is **EUR 1.25 million**.

Applicants will provide a 12-month work programme for 2012, however the eligibility period will start as from 1 February 2012 with a duration of 11 months. Only costs incurred within the period of 1 February 2012 to 31 December 2012 will be eligible for financing. To calculate the maximum amount of financing, subject to the ceiling defined by the above mentioned available funds of EUR 1.25 million, the following formula can be used:

$$\text{Maximum financing}^3 = \text{Annual budget of the work programme} \times 11/12 \times 60\%$$

² COMMISSION REGULATION (EC, EURATOM) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, OJ L 357, 31.12.2002 and amended by Commission Regulation (EC, Euratom) No 1261/2005 of 20 July 2005, OJ L 201, 2.8.2005 and Commission Regulation (EC, Euratom) No 1248/2006 of 7 August 2006, OJ L 227, 19.8.2006 and Commission Regulation (EC, Euratom) No 478/2007 of 23 April 2007, OJ L 111, 28.4.2007.

³ The maximum amount of financing is dependent on the actual incurrence of the costs and might differ from the result of the formula that assumes a proportionate cost incurrence throughout the year

4. ADMINISTRATIVE DETAILS

In submitting a proposal, applicants accept the procedures and conditions as described in this call and in the documents to which it refers. Applications that do not comply with the requirements set out will be excluded from the selection procedure.

Applications must be dated and signed by the person representing the applicant organisation. Unless specified otherwise, the same person must sign all documents where a signature is required.

Further information on application is given directly in the application form.

Documentation and information relating to this call can be obtained from Commission website: http://ec.europa.eu/dgs/internal_market/grants/index_en.htm under the heading corresponding to this call.

4.1. Composition of application package

A proposal is made up of the application form and its supporting documents.

Proposals must be prepared and submitted to DG Internal Market and Services on paper in one (1) original and two (2) copies. To be considered complete, a proposal must contain:

- The application form (MS Word document)
- The budget forms (MS Excel documents)
- Annexes and supporting documents as defined in the application form

All the above mentioned documents should be sent in **one single batch**.

4.2. Submission and deadline

Proposals must be submitted to DG Internal Market and Services on paper (one original signed printed version + 2 paper copies), clearly indicating on the envelope the following call reference: **Call for proposals MARKT/2011/175/H**

Applicants may choose to submit proposals:

- a) either by registered mail or by a courier service **not later than 31/01/2012**, the postmark, the date of dispatch or the date of the receipt being taken as a proof, to the following address:

European Commission
DG Internal Market and Services – Budget
Office: SPA2 – 01/51
BE-1049 Brussels

- b) or delivered by hand to the following address:

European Commission
DG Internal Market and Services – Budget
Office: SPA2 – 01/51

1, Av. Du Bourget
BE-1140 Brussels (Evere)

not later than 31/01/2012. In this case, an acknowledgement of receipt will be obtained from the Commission service receiving the proposal. The department is open from 08.00 to 17.00 Monday to Thursday, and from 8.00 to 16.00 on Fridays.

In parallel, the applicant shall send the electronic version of the full application dossier by e-mail to the following address: ec-intmarket-contracts@ec.europa.eu **the same deadline applying.** The subject of the email shall clearly mention the call reference and the email shall contain:

- proof of dispatching of the paper version
- the application form (MS Word document)
- the budget forms (MS Excel document)
- annexes and supporting documents as defined in the application form.

Proposals submitted by fax, or e-mail only will not be accepted.

In the case of difference(s) between the paper and the electronic versions of the applications, the paper version will be binding.

4.3. Assessment of applications

Applications will be evaluated by an evaluation committee set up according to Article 116 of the Financial Regulation and Article 178 of the Implementing Rules.

Applications will be assessed according to the criteria defined under Point 2 of this call for proposals.

DG Internal Market and Services may request clarification at any time on the contents of the application documents submitted.

In all correspondence relating to this call (e.g. when requesting information, or submitting a proposal), reference must be clearly made to this specific call using the call reference number.

4.4. Indicative timetable

Applicants will be informed on the results of their application after the evaluation has taken place.

The specific grant agreement for 2012 will be concluded in the first half of 2012.

4.5. Contacts

Contacts between the contracting authority and applicants can take place under the following conditions only:

Any requests for additional information must be made in writing only to e-mail address ec-intmarket-contracts@ec.europa.eu

Requests for additional information received less than five working days before the closing date for submission of applications will not be processed (for practical reasons).

The Commission may, on its own initiative, inform interested parties of any error, inaccuracy, omission or any other clerical error in the text of the call for proposals.

This information will be published by the Commission under the heading corresponding to this call for proposals, at: http://ec.europa.eu/dgs/internal_market/grants/index_en.htm

Annexes:

- Grant application form
- Draft grant agreement
- Work plan template (MS Word file)
- Detailed budget template (MS Excel file)