CALL FOR PROPOSALS

OPPORTUNITIES FOR SME INTERNATIONALISATION
BY SUPPORTING SME NETWORKS FOR EXPORT

Call addressed to Enterprise Europe Network partners in the EU

282/G/GRO/PPA/18/10479

Questions and answers

Version 4
Date: 23/05/2018

History
05/04/2018: questions 1-6
18/04/2018: questions 7-8
27/04/2018: questions 9-10
28/05/2018: questions 11-12
Amendment to the model grant agreement:
The call terms of reference art. 4.2.2 states that: ‘A flat-rate amount of 7% of the total eligible direct costs of the action is eligible under indirect costs, representing the beneficiary's general administrative costs which can be regarded as chargeable to the action/project.’
The model grant agreement art. Article I.3.2 has been updated to be in line with the call terms of reference.

Question 1:
The Terms of Reference of the Call, in section 5.1 Eligible Applicants, mentions that partner organisations within the European Union that have signed a framework partnership agreement for the Enterprise Europe Network are Eligible Applicants. As EEN partner from a non-EU country, is it still possible for us to be an applicant? Or to be a co-applicant (partner) of another applicant whose country is within the EU?

05/04/2018 - Answer 1:
Applicants eligible to submit a proposal are Enterprise Europe Network organisations in the EU who have signed a Framework partnership agreement for the Enterprise Europe Network. Applications from other organisations are not eligible.

However, during the project implementation, when the EU SME Networks are being created, the EU SMEs may choose to build partnerships with SMEs from countries outside the EU. EEN organisations from these non-EU countries may be involved to facilitate this process (however no funding is foreseen by this pilot project for the EEN organisations involved in the third country).

Question 2:
a. The call states under 1.2 (page 6): „For this pilot project the EC aims to support business networks involving SMEs from at least 3 countries; the size of the business networks is typically between 4 and 8 SMEs.“ How many networks are expected per project? Is it up to the project partners to define the number of networks per project?
b. The call states under 4 (page 11): „Maximum amount of EU financial support for third parties: € 25.000 EU co-financing per SME network (to be assigned to the SMEs being part of the network).“ Is there a typo and the figure should read „250.000“? Or does this imply that 10 networks (à 25.000 each) are expected per project?

05/04/2018 - Answer 2:
Indeed, it is up to the project partners to define the number of networks per project within the budgetary constraints defined in the call. The maximum amount of EU co-financing is indeed € 25.000 per SME network which allows for several (at least 10) SME networks to be co-financed per consortium.

Question 3:
The call stipulates that “SMEs from at least 3 EU Member States should be selected to form these business networks”. My question is whether the work package 1 actions should lead the consortium to erect European level business networks or the consortium partners could
establish (at least) three business networks, e.g. at the regional level in each of 3 different EU Member States. To better illustrate my question:  
Example 1. Consortium (of 3 partners) builds 10 Business Networks. In each network SMEs come from all regions covering the area of the consortium.  
Example 2. Consortium (of 3 partners) builds 10 Business Networks. Each partner supports the development of networks with SMEs coming from the region of its activity (e.g. 4 networks from the coordinator, 3 from the 1st partner and 3 from the 2nd partner).  
Example 3. Both options are acceptable and could be mixed.

05/04/2018 - Answer 3:  
Each SME network should consist of SMEs from at least 3 different EU Member States. The example 2 (and 3) do not comply with this requirement as the SME networks would consist of SMEs from the same Member State only.

Question 4:  
As indicated in the call for proposals, paragraph 4.5 FINANCIAL SUPPORT TO THIRD PARTIES: “The amount of EU financial support for third parties must not exceed 25,000 € per SME network (to be assigned to the SMEs being part of the network)  
while at the same time as indicated in the model grant agreement document, ARTICLE II.12 — FINANCIAL SUPPORT TO THIRD PARTIES:  
II.12.1 (a) the maximum amount of financial support. This amount may not exceed EUR 60 000 for each third party except if the financial support is the primary aim of the action as specified in Annex I;  
Since the maximum EU financial support per each third party (SME Network) may not exceed 25,000 €/ SME network, why is there also a 60,000 €/ per each third party limitation?  
05/04/2018 - Answer 4:  
Article I.3.2 of the model grant agreement applies: “eligible financial support to third parties for SMEs building the SME networks of which the maximum amount of financial support to third parties must not exceed € 25,000 per SME network”.  
The provisions in the Special Conditions of the Grant Agreement take precedence over its Annexes, including annex II “General Conditions”.

Question 5:  
In the call mentions that: “Maximum amount of EU financial support for third parties: € 25,000 EU co-financing per SME network (to be assigned to the SMEs being part of the network)”. So during the project the SMEs will have the possibility to receive grants.  
Is it right that all companies together that are in the network can receive 25000 EUR in the form of a grant for participating in the fairs or other activities? Or is this amount per company?  
05/04/2018 - Answer 5:
The maximum EU financial support is € 25,000 for all companies together in each SME network, which is typically consisting of 5-8 SMEs.

**Questio 6:**
1. Can a proposal envisage the establishment of more SMEs business networks?
2. Do these SMEs business network have to be necessarily “international” in their composition? Thus, must the business network be formed by 4-8 SMEs coming from 3 different countries (i.e. 3 SMEs for each country) or also nationally-based business networks (established in three participating countries) are possible, providing that they share a common programme/strategy?
3. Third party financing: the costs related to the organization of training or coaching (as envisaged in WP1) must be pre-paid by the SMEs and then reimbursed? Or do they fall into the budget of the EEN network partner (i.e. subcontracting)?

**05/04/2018 - Answer 6:**
1. See answer for question 2.
2. Each SME network should consist of SMEs from at least 3 different EU Member States.
3. The costs related to the organization of training or coaching falls within the budget of the EEN network partner (see also section 4.2 of the Call for Proposals)

**Question 7:**
Can we hire extra personnel for the project realisation (for example 1 extra staff member) or should we implement this project within existing team?

**19/04/2018 - Answer 7:**
The proposed activities may also be implemented by staff in addition to the existing EEN team provided that this staff belongs to the participating EEN host organisation. See conditions for eligibility of personnel costs under section 4.2.1 of the Call for proposals and sections 2.2 and 7.2 for the experience and qualification requirements

**Question 8:**
Questions about the budget:
1) in case we would have a project with the maximum EU co-financing amount of € 500,000, how many networks must be activated for a single project? 10? Will the amount of € 25,000 will be devoted to each of the 10 networks (to be split among the SMEs participating in the networks)?
2) if the EU maximum financing rate is 90%, does it mean that we have to co-finance the grant for the SME network (e.g. fees and booth for fairs, business plan, etc)?

**19/04/2018 - Answer 8:**
1) The maximum EU financial support is € 25,000 for all companies together in each SME network, which is typically consisting of 5-8 SMEs. It is up to the applicants to define
the support needed for the individual networks (max. EU financial support of € 25,000 per network). A lower amount per network could result in more than 10 networks being co-financed.

The maximum EU financing amount as contribution to the EEN beneficiaries' eligible costs (excl. the third party financial support) is € 250,000 per project. In case less EU financing is needed for these eligible costs, applicants may choose to finance additional network(s) as long as the overall EU financing amount of € 500,000 per project is not exceeded.

2) The EU maximum financing rate is 90% of the overall total eligible costs, this includes financial support to SME networks. This means that the beneficiary (EEN partner) has to co-finance 10% of the financial support he pays. (It is to be noted that the flat rate amount of 7% for eligible indirect cost is also applicable to the financial support to the SME Networks as it is part of the direct eligible cost).

The SME’s networks' actual costs must be at the minimum equal to the financial support. The costs of the activity can be higher but they have to be covered by the SME network.

Question 9:

Is it possible for a member of an EEN consortium to apply individually with two other members of other EEN consortiums in EU or is it compulsory that the whole consortium applies with other two EEN members of other countries?

27/04/2018 - Answer 9:

The applying consortium must be composed of individual EEN member organisations from at least 3 different EU member states (please refer to section 5.1 'Eligible applicants').

Question 10:

Open call for the selection of SMEs network have to address single SMEs (third parties) or the aim of the call is to constitute the SMEs network?

By this I mean: do single SMEs have to apply or does a SMEs network have to apply? If the second hypothesis is correct, shall the SMEs network nominate a coordinator for the proposal?

27/04/2018 - Answer 10:

As stated in section 1.2 "Defining SMEs networks": "For this pilot project the EC aims to support business networks involving SMEs from at least 3 different EU countries; the size of the business networks is typically between 4 and 8 SMEs."

It is the responsibility of the beneficiaries (selected EEN organizations) to define the terms for the call for proposals for the SME Networks and for evaluating and selecting the third parties that may receive financial support, taking into account information provided in section 2.2 "Workpackage 1" and section 4.5 "Financial support to third parties" of the Call for proposals and in the Annex "Guidance on the selection of third parties which may receive financial support from beneficiaries in indirect actions". This includes whether, and to what extend, a formal role of a coordinator is required for the SME Network’s proposal.
**Question 11:**
Are you expecting projects that will support and set-up several SME networks? Or just one network where the 25 k€ financial contribution will be per SME member of this network?
If you are expecting projects with several SME networks, shall the scope/thematic of each SME network be the same or shall they be completely different one from another?

**23/05/2018 - Answer 11:**
It is up to the project partners to define the number of networks per project within the budgetary constraints defined in the call. The maximum amount of EU co-financing is indeed € 25.000 per SME network which allows for several (at least 10) SME networks to be co-financed per consortium (see also question n° 2). The scope/thematic of each network may be the same or (completely) different.

**Question 12:**
Can you explain if, according to EU law, the EU financial support to third parties will be considered as state aid (EU Reg 651/2014)?

**23/05/2018 - Answer 12:**
Please note that as a general rule EU funding centrally managed by the European Commission, its agencies etc. “that is not directly or indirectly under the control of Member States [such as the funding provided within this pilot project] does not constitute State Aid”. 