Erasmus for Young
Entrepreneurs

Erasmus for Young Entrepreneurs Implementation Manual for Intermediary Organisations (Quality Manual)

Version 6.0
Last update: July 2011

European Commission

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Introduction

The aim of the present Quality Manual is to act as a central source of information for Intermediary Organisations (IOs), on policies and procedures which support the Erasmus for Young Entrepreneurs programme. Its goal is to facilitate exchange of experiences, learning and networking for new EU entrepreneurs, through periods of time spent at companies of experienced entrepreneurs in other EU Member States.

This Quality Manual will be subject to constant improvements and updates. Therefore, you are requested to regularly check for updates on any new rules and procedures implemented, in order to provide accurate information to entrepreneurs and avoid any possible confusion, omissions and/or misunderstandings.

Glossary and definitions

NE(s) — New Entrepreneur

New Entrepreneurs are defined as entrepreneurs in the early stages. This includes both nascent (i.e. 'would-be') entrepreneurs, who are firmly planning to start their own business based on a substantiated business plan, and entrepreneurs who have recently started their own business (i.e. have been in operation for not more than three years).

HE(s) — Host Entrepreneur

Host Entrepreneurs are successful and experienced entrepreneurs (ideally owners of a micro or small enterprise for more than three years) or people directly involved in entrepreneurship at SME management board level, according to the EU definition of micro, small or medium-sized enterprise.

IO(s) — Intermediary Organisation

Intermediary Organisations are entities engaged in business support as their regular activities, which operate at national, regional or local level. They have been officially appointed by the European Commission following a call for proposals to establish contacts between NEs and HEs. Their role is to promote the programme at national or sub-national level, recruit entrepreneurs, propose match-making services and establish successful relationships between NEs and HEs.

NIO(s) — New entrepreneur's Intermediary Organisation

The Intermediary Organisation responsible for the new entrepreneur.

HIO(s) — Host entrepreneur's Intermediary Organisation

The Intermediary Organisation responsible for the host entrepreneur.

EP(s) — European Partnership

A European Partnership (EP) is an IO or consortium of IOs who have signed a single grant agreement with the European Commission. Each EP is composed of one Lead IO (i.e. coordinator) and eventually one or more IOs from different EU countries (i.e. partners).

When an EP is composed of a single IO, the IO also acts as an EP.

NEP(s) — New entrepreneur's European Partnership

The European Partnership responsible for the new entrepreneur.

LNIO — Lead New entrepreneur's European Partnership

The IO appointed in the grant agreement as coordinator of the NIO EP.

HEP(s) — Host entrepreneur's European Partnership

The European Partnership responsible for the host entrepreneur.

LHIO — Lead Host entrepreneur's European Partnership

The IO appointed in the grant agreement as coordinator of the HIO EP.

EC — European Commission (Directorate-General for Enterprise and Industry)

The Erasmus for Young Entrepreneurs programme has been initiated by the European Union and is managed by the Directorate-General (DG) for Enterprise and Industry of the European Commission.

As such, the DG for Enterprise and Industry is responsible for the overall political and financial responsibility of the Erasmus for Young Entrepreneurs programme. It manages grant agreements with the European Partnerships and makes sure that the necessary funds are available. It raises awareness of the programme, monitors quality of the programme, approves individual relationships, ensures maintenance and further developments of IT tools, evaluates the programme and prepares expansion of the pilot scheme for implementation on a permanent basis.

SO — Support Office

The role of the Support Office is to ensure coordination and coherence of activities handled by the IOs. It helps them to develop high quality exchanges of entrepreneurs. Its main tasks are to promote the programme at EU level, provide guidance and support to IOs, especially in daily operations, monitor activities of the Intermediary Organisations, manage the central website, develop training material and foster networking/cooperation among the IOs.

Erasmus for Young Entrepreneurs

Programme overview

A study carried out by the European Union reported that Europe is not fully exploiting its **entrepreneurial potential** and it is failing to encourage enough people to become entrepreneurs.

In the light of the above, the European Union initiated the Erasmus for Young Entrepreneurs programme in 2009, as an innovative response to the dual challenge of stimulating entrepreneurship and encouraging cross-border trade in Europe. By means of learning with an experienced entrepreneur in another EU Member State, **start-up entrepreneurs and would-be entrepreneurs** will gain competences and perspectives that will be invaluable during their business start-up phase. Such new entrepreneurs will use their fresh entrepreneurial spirit, their different perspective, and their knowledge of their home market and culture as a source of new ideas and a sounding board for the **host entrepreneur**.

The Erasmus for Young Entrepreneurs programme has been developed within the framework of the Small Business Act (SBA) for Europe which considers this pilot project as a key contribution 'to create an environment within which entrepreneurs and family businesses can thrive, and entrepreneurship is rewarded'[1].

The SBA aims to improve the overall approach to entrepreneurship, in order to anchor the **'Think Small First'** principle in policy-making, and to promote growth of SMEs by helping them tackle any remaining problems that hamper their development.

The general objective of the Erasmus for Young Entrepreneurs programme is to help EU entrepreneurs enrich their experiences, through learning and networking, and by spending periods of time in enterprises run by experienced entrepreneurs in other EU Member States. It furthermore aims to enhance entrepreneurship, internationalisation and competitiveness of new and established micro and small enterprises within the EU.

The specific objectives of the programme are:

⇒ Provide on-the-job-training to new entrepreneurs in small and medium-sized enterprises (SMEs) elsewhere in the EU, in order to facilitate a successful start and development of their business ideas;

⇒ Foster exchanges of experience and information between entrepreneurs, on obstacles and challenges faced, when starting up and developing their business;

⇒ Enhance market access and identification of potential partners for new and established businesses in other EU countries;

⇒ Promote networking by building on knowledge and experience from other European countries.

[1] A 'Small Business Act' for Europe, COM (2008) 394 of 19 June 2008, pp. 5-6.

Programme benefits

Erasmus for Young Entrepreneurs is about breaking barriers and crossing borders. The idea behind this exchange programme is that national borders should not curtail potential of SMEs. On the contrary, the internal market is a great opportunity for SMEs. They should make use of it since it allows them to grow and create jobs. This approach is particularly valuable in times of economic crisis because a dynamic and innovative business community is a pre-requisite to recovery. The Erasmus for Young Entrepreneurs programme contributes to fostering an entrepreneurial mindset and behaviour. It fosters development of more internationalised SMEs and creation of more new businesses in Europe —two fundamental elements which will promote sustainable economic development and will benefit all EU countries.

Above all, the programme is a **business and interpersonal exchange**, based on practical experience and joint work on concrete projects rather than plain theory.

1. Benefits for New Entrepreneurs

The programme will bring the following benefits to NEs, in order to improve their chances of success during the business start-up phase:

- Up to six months learning abroad with a successful and experienced entrepreneur in another EU country, in order to gain the relevant start-up and SME management knowledge in various areas (e.g. financial and operational management, development of innovative products and services, sales and marketing practices, and effective planning);
- Refinement of business ideas/plans;
- Uniqueness of opportunity to improve their entrepreneurial experience through work on practical, concrete projects;
- Broadening network of contacts and becoming part of a dynamic pan-European business network of successful entrepreneurs;
- Gaining knowledge about foreign markets and facilitate access to them;
- Development of potential new cross-border business opportunities and partnerships;
- Gaining insights into a different cultural and organisational setting/workplace and understanding how a company operates in another EU country;
- Possibility of finding out about:
    - European commercial law and the single European market,
    - European standardisation,
    - European support for SMEs.
- Improvement of language skills.

2. Benefits for Host Entrepreneurs

Given the fact that no financial support is provided to HEs, motivating them to participate in the programme tends to be the most challenging aspect of the project. Therefore, particular attention should be given to promoting benefits to HEs.

Potential benefits to HEs include the opportunity to:

- Work with a serious, committed and motivated NE who will contribute to their business development through innovative ideas and views;
- Gain knowledge about NE's domestic markets — including business contacts — and opportunities to internationalise their business;
- Interact with HEs from other EU countries and become part of a dynamic pan-European business network of successful entrepreneurs;
- Improve growth potential of their company and opportunity to establish a new business partnership directly with an NE from another country;
- Increase visibility and prestige of the company through press coverage (i.e. press articles, interviews, etc.);
- Benefit from assistance provided by professional Intermediary Organisations in the search for a potential business partner and the support of the relationship with NE;
- Access new skills and innovative knowledge provided by NE that an SME often does not have the capacity to develop;
- Improvement of language skills;
- Use of the Erasmus for Young Entrepreneurs labels and certificates to attest their participation in the programme.

1 Promotion and recruitment

1.1 Promoting the Erasmus for Young Entrepreneurs programme

The programme has been running for more than two years now and is beginning to be known among the public. However, it is important to continuously promote the mobility scheme in order to ensure success and further expansion, since raising awareness of the programme's existence and benefits is fundamental to recruitment of NEs and HEs and the establishment of successful exchanges.

1.1.1 Planning promotion

The promotional strategy developed by the Support Office ensures a common visual identity for the programme via a variety of promotional material which can be used and adapted according to each country's specificities[2].

Based on the material offered to IOs, each European partnership is responsible for planning its own dissemination strategy for the programme in order to achieve its goals, as described in the proposal submitted to the European Commission.

The Support Office does not intervene in the promotional strategy implemented by the EPs — as they are free to organise communication and press activities at the most appropriate time in their countries and in the manner they deem most fit — but provides each IO with media kits during the year in order to prepare press campaigns.

The timetable for European-level and coordinated campaigns will be communicated in due time.

The latest media kit can be found on the intranet under the section '**Press & Communication**'[3].

Intermediary Organisations are required to include the programme logo and a link to the programme's website in their public websites.

1.1.2 Promotional strategies

Even though recruitment of NEs is relatively easy (see programme benefits for NEs on page 9), the promotion towards this target group remains an important part of raising awareness about the programme.

[2] The logo, graphic charter as well as other promotional material and templates can be downloaded from the programme intranet (http://www.erasmus-entrepreneurs.eu | section 'Members only').

[3] http://www.erasmus-entrepreneurs.eu/members/press.php.

Motivating HEs to participate in the programme, however, requires additional effort and consideration. Promotional activities should be focused on their **real needs** and on how the programme can benefit them — by highlighting the competences and skills that NE can offer to HE's business and the increased visibility for their activities (see page 10). When preparing their recruitment strategy, IOs should bear in mind the specificities of this target audience, which are different from those of NEs (i.e. age, lifestyle, behaviour, concerns, lack of time, etc.).

What does actually work in the case of HEs?

- Direct contact — telesales campaign to businesses, visits, face-to-face meetings, info days, etc.;
- Success stories/testimonies — concrete examples of benefits gained by previous HEs;
- Media coverage of completed exchanges (press articles, press conferences, TV and radio interviews);
- Social/professional networks (LinkedIn, Twitter, Facebook) can help to find HEs;
- Offering assistance and support — as HEs do not really have time and/or a good command of English to complete the online registration form and manage the IT tool, they usually appreciate some help with administrative issues.

1.1.3 Promotional material available and recommended communication methods

You are strongly encouraged to use the press and communication tools[4] that the Support Office has developed.

A wide variety of dissemination methods exists and it is essential to select the one(s) which will allow you to communicate the right message(s) to the right target audience and therefore achieve your objectives. The table in Annex 3 summarises the methods recommended by the Erasmus for Young Entrepreneurs Support Office and the European Commission.

Consortia and IOs should plan a sufficient budget to cover their needs of promotional material and promotional items.

Besides the promotional material already provided in the intranet, the European Commission can also provide IOs with limited quantities of printed leaflets, posters and DVDs with success stories of entrepreneurs, upon justified request. Other promotional items (also in limited quantities) might be available for specific events. In addition, IOs can borrow roll-up stands from the European Commission. Requests for material should be made at least 4 weeks in advance.

About customisation

Leaflets (available in 22 languages) and posters can be customised with your contact details and your logo. This will enable any potential interested entrepreneur to contact you directly. The core text of the flyer cannot be changed.

1.1.4 Promoting the programme via social networks

Seventy-five percent of European Internet users have joined at least one social network:

- 112 million European users on Facebook;
- 16 million European users on LinkedIn;
- 12 million European users on Twitter.

In 2010, the European Commission launched a web-based communication campaign for the programme, by targeting European professional networks, in order to raise awareness of the programme and convince host and new entrepreneurs to join. Erasmus for Young Entrepreneurs is now present on LinkedIn, Facebook and Twitter.

As a result, and within a few months, social networks became the third source of information of the programme for new HEs. It is therefore important that IOs integrate this means of communication into their promotional strategy, without excluding other relevant social and professional networks that are active in their respective countries.

1.1.4.1 LinkedIn

LinkedIn is the world's largest **professional network** with over 50 million members. The website facilitates access to professionals from all industries and is used by high level profiles (executives of all Fortune 500 companies are members).

An Erasmus for Young Entrepreneurs profile has been created and is available in six languages: Spanish, Italian, French, German, English and Portuguese. Three sub-groups have been set up: one for IOs, one for HEs and another for NEs. Such segmentation is important for proper communication.

Creation of groups stimulates interaction between members and should consequently increase amount of registrations to the Erasmus for Young Entrepreneurs programme.

How to promote the programme on LinkedIn?

1. <u>Join LinkedIn!</u>

LinkedIn offers you the opportunity to communicate with other users in an easy and informal way. You will be able to reach new potential hosts and new entrepreneurs and share with them the experiences of the current entrepreneurs, as well as the wide range of benefits that the programme offers. You will also have the possibility to answer the most frequently asked questions, liaise with other online groups, discuss proposals and redirect potential participants to the Erasmus for Young Entrepreneurs public website and various Intermediary Organisations.

Join LinkedIn at: http://www.linkedin.com/groups?about=&gid=2698649&trk=anet_ug_grppro.

2. **Invite your contacts to join LinkedIn**

LinkedIn offers you the possibility to add contacts from Outlook, and webmails like Hotmail, Gmail, Yahoo, AOL and other address books.

3. Use the LinkedIn logo for a passive recruitment

Add the LinkedIn logo and the hyperlink to the website on the homepage of your website. This online presence will attract potential NEs and HEs.

4. Invite your NEs and HEs who completed an exchange to join LinkedIn

Invite NEs/HEs who completed an exchange to join the group, share their experience so as to attract other potential interested NEs and HEs and make them become 'ambassadors' of the programme in LinkedIn.

1.1.4.2 Facebook

Facebook is the most used **social networking website** internationally. A group has been created on Facebook dedicated to people interested in the Erasmus for Young Entrepreneurs programme, either because they have been part of it or because they would like to know more about it.

IOs are invited to join the group at http://www.facebook.com/pages/Erasmus-for-Young-Entrepreneurs/109504235748017 and participate in the discussions in order to find new candidates.

1.1.4.3 Twitter

Twitter is a micro blogging application which allows users to express thoughts or share short messages with information instantly. It is used by some 12 million Europeans as a source of instant information. 80 % of users connect through their smart phone.

Apart from direct publication of news, Twitter is also connected with Facebook and LinkedIn, thus permitting automatic publication of changes made in the Facebook profile ('What's on your mind' field). These three networks are therefore interconnected, and their connection with a new blog will open further possibilities for online promotion.

NB: Promotion is crucial as it will help you increase number of entrepreneur registrations. You are therefore recommended to dedicate time to this important activity.

1.2 Recruitment

Each EP is free to implement its own recruitment strategy in accordance with the programme's policies and rules described below. Promotional material and media kits are provided to support your communication and recruitment activities. Every effort is made to ensure that information contained in promotional materials is up-to-date and accurate at the time of going to press. The Support Office — on the basis of a formal request — can provide you with the latest statistics about the programme.

The matchmaking process may be time consuming and may take several months. Therefore, it is essential that you take this delay into account when initiating an exchange (planned start date) and inform your NEs and HEs in order to avoid any possible disappointment, postponement or cancellation of business relationships.

1.2.1 Deadline for registrations

New and host entrepreneurs can apply for the programme at any time. There is therefore no deadline applicable.

However, you as an IO, have a deadline to complete exchanges. Such deadline is the end date of your activities in the programme (which corresponds to the end date of each grant agreement), including any granted extensions.

1.2.2 Participation criteria

Given the significant importance of finding host entrepreneurs (HEs), it is crucial to ensure a high quality of new entrepreneurs (NEs) and a smooth overall process, in order to avoid any negative experiences.

To participate in the programme, NEs and HEs must comply with the eligibility criteria established by the programme and submit their applications via the online registration form available on the programme website www.erasmus-entrepreneurs.eu under the section **'Apply now'**.

Entrepreneurs are responsible for submitting complete and accurate data and your responsibility is to assess applications in line with the participation criteria described in this section and make sure that their profiles meet the criteria and the minimum quality standards. When in doubt, you should request for additional proof/piece of information that you may consider needed.

1.2.2.1 Legal criteria

New Entrepreneur definition

New Entrepreneurs are defined as entrepreneurs in the early stages. This includes:

- Would-be entrepreneurs who are firmly planning to start their own business based on a substantiated business plan or a concrete project;
- New Entrepreneurs who have been running their own business for less than 3 years at the time of application.

Whether planned or already existing, an NE's business can be in any sector.

NB: Apart from the age of the company, you also have to check NEs' entrepreneurship experience in their CVs.

Example: An entrepreneur, who ran a company for 10 years, stopped it and now wants to start a new business, cannot be considered as a new entrepreneur. The same rule applies to NEs who have been running a business for more than three years and decide to create a new company in a different sector. The exception to this rule is the associate partners of a business (i.e. the person was member of the board but did not effectively manage the business). You should pay attention to the details they provide, i.e., their application may state that the company did not have any activity but then claim the full experience in their CV. Application data should match with that in CV.

Host entrepreneur definition

Host entrepreneurs are defined as **successful** and **experienced** entrepreneurs or people directly involved in the entrepreneurship at **SME management board level**. They must fulfil the following criteria to participate in the programme:

- Be successful and experienced: although number of years of activity is not specifically mentioned, more than **3 years** of activity should be considered as a **minimum** for an HE and;
- Run a micro, small or medium-sized enterprise in one of the 27 EU Member States, applying the EU definition of an SME (see below for more information) as owners or members of the Board (not employees). The business can be in any sector.

NB: Although no minimum time of professional experience is specified for HEs, more than 3 years should be considered as a minimum. Entrepreneurs with less than 3 years of activity can only be considered eligible as HE under exceptional circumstances, such as co-founders of companies involved at management level. To evaluate such cases, you should use your sound judgment to decide whether an entrepreneur volunteering to be an HE should be chosen. You should pay attention to details they provide, since they may claim several years experience in running a business when they have only been employees and not board members.

European Union's SME definition

The European Union defines SMEs as enterprises which: *'fulfil the criteria laid down in the Recommendation as summarised in the table below. Besides the staff headcount ceiling, an enterprise will also qualify as an SME if it meets either the turnover ceiling or the balance sheet ceiling, but not necessarily both'.*

Enterprise category	Head count	Turnover	Or	Balance sheet total
medium-sized	< 250	• €50 million		• €43 million
small	< 50	• €10 million		• €10 million
micro	< 10	• €2 million		• €2 million

Specific rules are applicable when calculating ceilings for enterprises which are not autonomous (partner or linked enterprises) and for publicly owned enterprises, which do not qualify as SMEs.

You will find further information about the EU's SME definition at: http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/index_en.htm.

The SME definition document includes a model declaration that can be requested for enterprises whose qualification as SME is not clear.

Minimum age definition

Programme rules do not foresee a required minimum or maximum age for NEs & HEs. However, from the definition of NE and HE, it is very unlikely that individuals below the age of 18 can fulfil these requirements. Moreover, people below the age of 18 normally have limited legal capacity to sign contracts.

It is up to you to evaluate each application using the established assessment criteria and draw a conclusion.

A table of entities eligible for the programme is available in Annex 2.

1.2.2.2 Geographical criteria

1.2.2.2.1 The rule

Interested NEs and HEs must have their '**permanent residence**' in an **EU Member State** to participate in the programme.

'**Permanent residence**' is defined as:

- The place where the company of the entrepreneur is registered, if the entrepreneur has a registered company;

- If a company has several establishments in different EU Member States, then it shall be the country where the entrepreneur has his permanent residence for tax purposes;
- The place where the entrepreneur has spent **183 days** or more in the course of the last **12 months**, if the entrepreneur does not have a registered company.

You should verify that all information provided in the application is consistent (e.g. contact details in the application should match information contained in the CV).

1.2.2.2.2 Third country nationals

New entrepreneurs

Interested NEs who are not nationals of an EU Member State can participate in the programme provided that they have a residence permit issued by an EU Member State, and that they have started or have the intention to start a business in the EU. If this condition is not fulfilled, they cannot participate in the programme.

NEs participating in an exchange must ensure that they are allowed to stay in the HE's country and should themselves take care of any procedures linked to their visa/residence permit, where needed.

Host entrepreneurs

Interested HEs who are not nationals of an EU Member State must run a business within the EU 27 to be eligible to participate in the programme.

1.2.2.2.3 EFTA/EEA and EU candidate countries

Participation of new and host entrepreneurs living permanently in the EFTA/ EEA (Norway, Switzerland, Iceland and Liechtenstein) or in the candidate countries (Croatia, Former Yugoslav Republic of Macedonia, Turkey) is **not** envisaged by the programme at this stage.

1.2.2.2.4 EU overseas territories

Interested entrepreneurs from European overseas territories can participate in the programme provided that the overseas territories are part of the EU.

NB: It is important to note that there is currently no local contact point in such territories. Therefore, selection of IO might be a very difficult exercise for NEs there. Furthermore, financial assistance may not be enough to cover costs incurred for such long trips. NEs must be well aware of this situation and accept to start the exchange under such circumstances. A note in the agreement between the parties is recommended to avoid any later dispute.

1.2.3 Assessment of applications

Applicants should be assessed solely on the basis of the established eligibility criteria (see point 1.2.1), regardless of gender, ethnic background, age, religion, sexual orientation or any other irrelevant distinction.

Assessment of applications is a key step in the process of establishing relationships, as it determines quality of the profiles for an exchange. You are responsible for checking quality of applications submitted and you must ensure that only quality profiles of NEs & HEs are accepted in the programme.

During assessment, particular attention should be paid to entrepreneurs' requirements.

1.2.3.1 Responsibilities of Entrepreneurs

Responsibilities of Entrepreneurs at the time of application are as follows:

- To carefully read the supporting documents published on the programme website (User guide, registration guides, etc.) and comply with the programme rules and procedures;
- To apply for the programme via the online registration form;
- To provide any additional information (documents/evidences) to the selected IO when requested;
- To inform the selected IO about any change that may affect their participation in the programme.

1.2.3.2 Responsibilities of Intermediary Organisations

Your responsibilities as IOs are to:

- Inform NEs and HEs about the programme rules and procedures, notably the minimum quality standards defined in this Quality Manual applicable to recruited entrepreneurs and spontaneous applicants;
- Provide help and assistance during the registration process;
- Liaise with NEs and HEs to obtain feedback on information that is lacking in their applications;
- Respect application processing deadlines set by the programme, including payments;
- Monitor pending applications for smooth running of the process;
- Not refuse applications from NEs/HEs if they select a wrong IO but to redirect them to another IO;
- Liaise with the Support Office for advice, if needed;
- Make sure that all accepted applications are eligible and accurate;
- Look proactively for appropriate matches for their accepted entrepreneurs;
- Verify quality of relationships matched, including eligibility of counterpart entrepreneurs;

- Inform NEs and HEs about the end of activity date of your IO.

1.2.3.3 Assessing New Entrepreneur's application

a) Minimum quality standards

The following minimum quality standards must be respected when assessing the application of an NE:

1. Check that the participation criteria are met (see point 1.2.1)

An NE can only participate once in the programme. Before accepting an application, it is important to check whether or not he/she has already completed a relationship.

Current occupation of an NE should not be considered as an exclusion criterion. Status can be employed, self-employed or even unemployed. The important thing is that NE has a clear and serious intention to start a business. This will be documented by a substantiated business plan.

Note: '**Would-be**' entrepreneurs do not have any obligation to create their own company after accomplishment of an exchange.

Please refer to the table on entities eligible for the programme in Annex 3.

> NB: Once accepted, NEs and HEs are directly available for matching and cannot update their profiles thereafter. In case of doubt about eligibility of an NE or HE, please put the application **On Hold** and send your question to the Support Office.

2. Motivation and expectations should be clearly expressed

Success of the programme will depend upon it being seen as a **business investment for both entrepreneurs**, as opposed to a student learning opportunity abroad. Therefore, NEs should know exactly what they want to get from the exchange at the time they register.

NEs should in particular demonstrate:

- A real commitment to invest in a learning experience that will add value to his/her business idea;
- A clearly identifiable commitment towards being an entrepreneur;
- Clear and well defined learning objectives that refer to their concrete business plan[5];
- A commitment to contribute to the development of the HE's business through innovative ideas and by making use of his/her skills and competences;
- Motivation, dynamism, seriousness, creativity and initiative.

[5] and not only general objectives e.g.' to learn about managing a small business'.

NEs should furthermore be able and willing to raise additional funds needed to cover costs of their stay abroad that exceed the EU's grant.

It is very important to make an accurate assessment, as a lot of time might be invested in relationships that lack sufficient quality. In case of doubt, you are advised to put the application **On Hold** and ask NE for improvements of the application or additional evidence.

> NB: Bad assessments compromise success of future relationships and hamper your work and the work of other IOs. Therefore, it is in everybody's best interest to ensure quality assessments.

3. A sound personal and vocational background

Emphasis should be placed on NE's **qualifications, competences, interpersonal skills and willingness to be an entrepreneur** rather than on a minimum level of education, as the programme is about matching skills and personalities. Being a successful entrepreneur does not require an academic degree.

The Europass CV[6] format is preferable, but not compulsory. **CVs can be submitted in any official language of the EU**; however, **English** is preferable as it is understood by almost all users (HEs/NEs and IOs) of the online database and consequently facilitates matchmaking and consequent approval.[7]

> NB: Please check permanent residency in NE´s CV and profile in order to verify whether you are the correctly selected IO. You should also check the position of the NE in the company. These issues are of utmost importance as they are key eligibility criteria.

4. A well formulated business idea

Business plan

A business plan is a document that describes the product or service to be offered and summarises the operational, sales and financial objectives of one's business. It also contains detailed schemes and budgets which show how to achieve such objectives.

NEs who apply are requested to submit a **full business plan** and a **summary** of it.

- The **summary** of the business plan can be submitted in any EU official language; however **English** is strongly preferred as it will be read by all accepted users of the online database. NEs are invited to draft the summary in a way that avoids misuse and potential damage to them. It should clearly describe the products/services to be offered. The business plan summary should be included in the application form ('Short overview of your plans to start a business');
- The **full business plan** is a confidential document that will only be accessible to the selected New Entrepreneur, Intermediary Organisation (NIO), and the European

[6] http://europass.cedefop.europa.eu/europass/home/hornav/Downloads/EuropassCV/CVTemplate.csp.
[7] IOs should take into account that documents submitted in languages other than English, French or German might add delays to the approval procedure.

Commission. It should be submitted in an official EU language that the NIO understands.

The **full business plan** must at least contain:

- A clear description of the product or service to be offered;
- A market analysis that includes definition and assessment of the target market. It should also include competitors analysis as well as NE's marketing and sales plan;
- A financial plan including estimated expenses and income in the following 2 years and a break-even analysis.

NB: The business plan is a compulsory document that forms part of the application profile. Applications submitted with a Business Plan that does not contain the minimum information required should be considered as ineligible. Being a confidential document, it is the NIO's responsibility to ensure that the business plan is included in the profile and is of sufficient high quality.

The business plan is required to assess whether the applicant seriously intends to start a business in the near future. It does not have to be extensive but needs to contain the required elements and documents to demonstrate that NE has invested a significant effort in converting his/her ideas into a practical project. The viability of the business plan itself does not need to be assessed, but the document should contain enough information to permit viability assessment by a potential investor.

The Support Office does not provide a business plan template. NEs should be able to choose the format they prefer. It will be up to the IOs to check if the document is of sufficient quality and fulfils the basic requirements, namely that it demonstrates that the NE is firmly planning to start his/her own business or has started his/her own business within the last 3 years and that the business idea is well thought through.

For currently operating businesses, the latest financial accounts and a projection for the following 2 years should be included.

NB: NIOs are responsible for confidential treatment of the business plan submitted by NEs. If required, NEs can ask their IO to sign a non-disclosure agreement (NDA) or any similar confidentiality agreement that they consider pertinent.

5. Ability to work in a foreign language

The ability of an NE and an HE to communicate properly is crucial to the success of a relationship.

Given that no language training is provided as part of the programme and that language skills are one of the main criteria for matching, it is important to ensure that NEs can comfortably work in the foreign languages they select in the application form (i.e. they do not have difficulties to understand, speak, read and — if needed — write in the language(s)).

Although there are no specific language level requirements at this point, it is recommended that NEs have a good command of English or master a second language in addition to their mother tongue.

NB: English is not mandatory as long as the pertinent NIO and HE speak the same language as NE.

1.2.3.4 Selection of an Intermediary Organisation

As part of their registration, NEs and HEs have to choose an Intermediary Organisation (IO) that is officially appointed by the European Commission to handle applications, establish exchanges and provide guidance and support[8].

NEs should select an IO which is active in their country or region of residence. If there is no intermediary organisation in the country of residence, then NEs may register with an intermediary organisation located in another nearby European country. To that end, NEs will have to provide documents related to their application in English or in a language understood by the selected IO. It is important to note that IOs have no obligation to accept applications from entrepreneurs from another country. However, they should redirect those NEs/HEs to another IO willing to accept them. Whenever needed, IOs should contact the Support Office to obtain advice on which IOs might accept which entrepreneurs.

b) Other important elements

In addition to the above mentioned minimum quality standards, the following elements, which do not need any quality check, are important for the matchmaking exercise and need to be taken into consideration:

- Exchange period, sector of interest and geographical preferences are 3 crucial factors that will determine matching. The more flexible an NE is with the exchange parameters, the better the chance he/she will have to find a good match;
- Work and business experience: it is not compulsory for NEs to have professional experience, but it is obviously an advantage. This information is useful for HEs looking for a specific profile;
- Personality of NE: the success of an exchange also depends on interpersonal exchanges between an NE and an HE. Having a look at the hobbies of an NE in the CV or a personal interview may give you an idea of his/her personality and see if it could suit an HE.

[8] A list of IOs is available at http://www.erasmus-entrepreneurs.eu/page.php?cid=05.

A **registration guide for new entrepreneurs**[9] has been developed by the Support Office to help them during the registration procedure. You are strongly encouraged to recommend your NEs to carefully read this guide as it provides useful information on the type and level of details that should be submitted.

The registration guide is available on the public website under the section 'How to participate' and on the intranet under section 'Document Library'.

1.2.3.5 Assessing Host Entrepreneur applications

a) Minimum quality standards

Please find below the minimum quality standards you should to take into account when assessing application from an HE:

1. Check that eligibility criteria are met (see point 1.2.1)

Only an owner-manager of a company or a person directly involved in entrepreneurship at SME management board level is eligible to the programme as an HE. Employees are therefore not eligible, whatever their position. In case of doubt, it is recommended to double-check the position of an HE in the company. As the application is done on a personal basis (and not on a company basis) and commits the entrepreneur personally, the application cannot be delegated to an employee (e.g. secretary, assistant, or other).

As a general rule, HEs who created a company less than 3 years ago should not be considered eligible. However, in special cases, an IO can consider highly qualified HEs with less experience as eligible. A specific justification must be provided in such cases.

Please refer to the table of entities eligible for the programme in Annex 2.

2. Motivation and expectations should be clearly expressed

Interested HEs should explain why they are interested in participating in the Erasmus for Young Entrepreneurs programme and what they can offer to an NE. More specifically, they should demonstrate that:

- They have experience in running a business and an entrepreneurial track record;
- They are engaged in an activity that will give an NE relevant learning opportunities;
- They want to share their entrepreneurial experience and act as a mentor: they should specify how they will work with NE towards developing his/her entrepreneurial skills and know-how. This is a personal commitment that cannot be delegated.

HEs should concisely describe activities that they would expect from an NE and indicate if any specific skills, including language skills, are required from NE to perform a particular task

[9] http://www.erasmus-entrepreneurs.eu/upload/RegistrationGuideNErevisedFINAL.pdf.

— giving the latter the opportunity to decide whether to explore a potential relationship further.

Examples of NEs activities during the exchange:

- Market research and developing new business opportunities;
- Project development, innovation and R&D;
- Taking a fresh look at existing business operations;
- Understanding SME finance;
- Branding, sales and marketing of company;
- Work on concrete projects in one or more of the above mentioned areas;
- Shadowing the HE.

In any case, a reasonable amount of time (at least 5 hours per week on average) should be spent working on NE's project. This should be explicitly indicated in the Commitment.

3. Brief curriculum vitae

A brief CV specifying HEs particular entrepreneurial experience and providing information about its current business will be sufficient. It should contain at least a description of the product/service offered, years in active business as well as a description of previous experience as an entrepreneur.

CVs can be submitted in any official language of the EU. However, it is likely that English is understood by most users of the online catalogue that contains all accepted applications and, consequently, might be the most appropriate language for allowing IOs to perform matchmaking[7].

NB: A company description is not a CV. Entrepreneurial experience of HE, whether in the present company or in a previous one, and other relevant personal characteristics are very important. Entrepreneurial experience and job position of HE should be clearly stated. CV should correspond to the person who has registered. Nevertheless, information about key features of HE's company may help the potential NE to decide on choice of HE.

4. Selection of Intermediary Organisation

HEs should select an IO that is active in their country or region of residence. Interested HEs with no active IO in their country **cannot** in principle participate in the programme, as Host Entrepreneur IO (HIO) must provide legal and logistical assistance to NE during his/her stay in the host country. In exceptional circumstances, IOs are allowed to accept HEs from a different country as long as they can provide appropriate on-site-support.

In any case, an NIO must be different from an HIO.

b) Other important elements

In addition to the above minimum quality standards, there are other elements which do not need any quality check but are nevertheless important for matchmaking. These need to be taken into consideration and are comprised of:

- HE's preferred countries of origin of NE;
- Time availability and preferred dates for exchange: this data is crucial for HE;
- Additional important information reported by HEs in their application that could make their offer more attractive (e.g. accommodation, contribution to some costs or payment of a salary).

c) Assistance

HEs will often be very active entrepreneurs with a tight schedule and little time for extensive formalities. Therefore, HIOs are strongly encouraged to assist HEs in the registration process by filling in the required IT Tool information on their behalf, if needed. HEs might also require further assistance from their respective IOs when searching for an appropriate business partner. Again, advice and guidance are crucial for the success of matchmaking.

A **registration guide for host entrepreneurs**[10] has been developed by the Support Office to help them during the registration process. IOs are encouraged to recommend that their HEs carefully read this guide in order to have all the required information at hand before starting the registration process.

The registration guide is available on the public website under the section 'How to participate' and on the intranet under the section 'Document Library'.

It is important to make an accurate assessment of potential HEs because the success of an exchange is to a large extent determined by motivation and seriousness of HEs. In case of doubt, you are advised to put the application **On Hold** and ask HE for improvements of their application or additional evidence.

> NB: If eligibility of an NE/HE is not clear, IOs should email the Support Office (support@erasmus-entrepreneurs.eu) and briefly explain the situation. An answer will be sent within 2 working days if it does not require the intervention of the European Commission and within a maximum of 15 working days otherwise.

1.2.4 Exclusion criteria

[10] http://www.erasmus-entrepreneurs.eu/upload/RegistrationGuideHErevisedFINAL.pdf.

The criteria for exclusion shall be as follows:

- NEs and HEs do not comply with the eligibility criteria described above;
- NEs are trying to misuse financial assistance for various reasons[11];
- HEs are looking for free labour force or pure internships;
- Weak/poor applications which can obviously not be improved;
- NEs and HEs have a pre-existing business relationship. HE is or will be a co-owner or investor in NE's business, such that there is no need for an Erasmus stay to be established or a relationship to be developed between the two.

1.2.5 Processing applications

The European Commission has developed an online database to enable NEs and HEs to submit applications, search for a business partner, perform matchmakings, and follow exchanges. The online database of entrepreneurs is only accessible with a login and a password that every IO, NE and HE receives upon registration.

IOs' staff can access the online database only after their Lead IO has inserted their contact details into the system.

NEs and HEs interested in participating in the programme shall apply via the online registration form available on the programme website (www.erasmus-entrepreneurs.eu) under the section '**Apply now**'.

Registrations must be fully completed, submitted and confirmed by applicants before being automatically sent to the selected IOs for validation. To confirm their applications, NEs/HEs have to click on the link in the email confirmation message that they receive immediately after submitting their form. After clicking on this link, registered applicants need to be accepted, in order to be able to participate in the Erasmus for Young Entrepreneurs programme and access the Erasmus IT Management Tool (online database).

The confirmed applications are stored in the database (i.e. as status '**Applied**') and must be processed by the responsible IOs.

IOs have to monitor the incoming applications from NEs and HEs that are registered with their organisation since, the system does not automatically notify of a new registration by default. However, this option can be changed (see IT user manual p.70).

1.2.5.1 Procedure and deadlines

IOs are responsible for checking quality of applications and to either accept or put them on hold. Application status should be adjusted by the responsible IO accordingly.

[11] e.g. to extend an existing internship or after study stay in another country, to carry out a franchising training at the franchisor's premises, etc..

In order to monitor incoming applications and process them, IOs have to go to the '**HE/HE management**' section in the Erasmus for Young Entrepreneurs IT Management Tool and select the '**Follow up applications**' option.

NB: In the interest of all IOs and Entrepreneurs, it is crucial to respect reasonable deadlines for processing applications and relationships. This will avoid unnecessary and discouraging delays in the matching procedure. Overruns of delays are clearly highlighted in the IT Tool as a reminder.

Repeated and unfounded overruns will be considered as default of a substantial obligation under the terms of the grant agreement which might lead to termination of participation of a beneficiary or termination of grant agreement according to Article II.11.3.

a) Application status: 'Applied'

Processing deadline: 2 weeks
Actors: NIO/HIO

All submitted applications automatically receive the status **'Applied'**. At this stage, NEs/HEs do not have access to the online catalogue of profiles to search for a business partner. This status only means that the application has been received. It does not imply that the entrepreneur is accepted to the programme.

IOs should within a **maximum of 2 weeks** upon receipt of application, perform an initial check (i.e. evaluate, spot mistakes / gaps and make contact with the applicant) and take action accordingly.

Possible actions at this stage are:

1. Applicant fulfils all programme requirements and should be granted access to the online catalogue " change application status to '**Accepted**';
2. Important information is missing and/or unclear " change application status to '**On Hold';**
3. Selected IO is not in a position to accept entrepreneur[12] or IO is terminating its contract " change application status to '**Back to Applicant'**.

NEs/HEs will be automatically informed by email about any change of their application status.

[12] e.g. because of geographical criteria (entrepreneur living in a different country from IO), budgetary reasons (no more budget available for NEs) or end of activity of IO in the period requested for exchange. Any of these reasons should be conveyed to the entrepreneur and where possible a specific IO should be recommended.

b) Application status: 'On Hold'

Processing deadline: 12 weeks
Actors: NE/HE

An application should be put **'On Hold**' if the profile is valuable but relevant information is still missing or unclear. Although NEs/HEs will be notified by an automatic email about the change of their status, IOs should nevertheless contact NEs/HEs directly by phone or email explaining the reasons for the "**On Hold**" status. IOs can also organise an interview should this be considered necessary.

NEs/HEs can themselves modify their application through the programme website[13] under the section 'Apply now' by inserting the email address used to register and clicking on the button 'Register (or modify your registration)'.

An application will stay '**On Hold**' for a **maximum of 12 weeks**. Three actions are possible at this stage:

1. If the missing information is provided on time and fulfils the requirements of the programme, the applicant will be granted access to the online catalogue " change the status of the application to '**Accepted'**;

2. If the missing information is not provided on time despite several reminders, but the applicant still has the possibility to eventually become eligible if he can provide proper evidence (e.g. the business plan), then it should be sent back to the applicant. This will free the IO from obligation to deal with the case at this point in time " change the status of the application to '**Back to Applicant**';

3. If the missing information is supplied and shows that the candidate is not eligible, or the applicant does not seem sufficiently qualified, the application should be refused " change the status of the application to '**Refused**'.

In case of early expression of interest and registration (e.g. the business plan is not ready, current business and travel commitments delay participation), IOs should invite the applicant to register later, after all documents have been completed or the HE/NE has more time. The application should be given the status '**Back to Applicant**' and IOs should state within the field '**remark**' that the NE/HE should complete his/her application and resubmit it at a later stage. And inform the IO in an email about the changes made.

c) Application status: 'Accepted'

Processing deadline: N/A
Actors: NIO/HIO

[13] http://www.erasmus-entrepreneurs.eu/page.php?pid=051 .

An application should be accepted if the candidate fulfils the eligibility criteria and the application meets the minimum quality standards. This status gives the entrepreneur access to the Erasmus IT Management Tool.

Accepted applicants are automatically notified by email that their application to the Erasmus for Young Entrepreneurs programme has been accepted, and that they can now use the Erasmus IT Management Tool for searching & matchmaking purposes. This automatic email contains a link to the IT tool user's guide.

It is important to note that NEs/HEs do **not** have the possibility to update and/or modify their profile after they have been accepted. Changes should be done by the NIO/HIO and only minor adjustments or information updates will be accepted. IOs must therefore ensure that applications are accurate when they are '**Accepted'**.

d) Application status: 'Refused'

Processing deadline: N/A
Actors: NIO/HIO

In principle, applications should be refused only if candidates do not fulfil the eligibility criteria and/or the minimum quality standards. Where information is missing, application should be put '**On Hold**', and if the requested information is not submitted in a reasonable amount of time, the application should be sent '**Back to Applicant**'. Applicants who use financial assistance inappropriately, such as to subsidise travel, and applications that do not meet programme objectives must be excluded.

A standard email is automatically sent out to NEs/HEs from support@erasmus-entrepreneurs.eu address notifying them of the refusal. It is therefore important to send a separate email explaining the reasons for the refusal.

The European Commission expects a respectful and professional behaviour towards applicants. The assessments should be clearly based on **objective criteria**.

Intermediary Organisations specialised in a specific sector or target group (e.g. women entrepreneurs) are not allowed to refuse applications of entrepreneurs from other sectors or categories just on this ground. If an IO does not have enough skills to deal with a specific application, then it should reassign the entrepreneur to another IO.

An applicant with the status '**Refused**' can eventually apply again for the programme using the same email address. This would allow him/her to recycle the data already supplied. The future IO would benefit from a clear explanation of the initial refusal.

e) Application status: 'Deleted'

Processing deadline: N/A
Actors: NIO/HIO

When an application has been submitted by error or contains incorrect or irrelevant data or upon applicants' request, you can decide to change its status to **'Deleted'**. Applications with this status are not immediately physically deleted from IOs database, but are initially flagged as deleted so that the IO can still access them if appropriate during a few weeks. This status must not be given to NEs/HEs who have selected a wrong IO. "**Back to Applicant**" should be used instead.

IOs cannot delete entrepreneurs that have been previously accepted. Requests for the same should be sent to the Support Office.

Four weeks after entering the status '**Deleted**', data of this applicant are physically removed from the database.

Entrepreneurs that are not interested anymore (even temporarily) in the programme should be flagged as 'Withdrawn'.

f) Application status: 'Back to Applicant'

Processing deadline: N/A
Actors: NE/HE

With the status '**Back to Applicant**' the IOs return the application to the entrepreneur. This may be done

- because the IO will soon become inactive;
- because the IO cannot accept more entrepreneurs[12];
- because the applicant has not responded in due time to the request for additional information;
- because the entrepreneur has not submitted a proper business plan in due time.

Note: Entrepreneurs given '**Back to Applicant**' status just after application are NOT allowed to have access to the Erasmus IT Management Tool. They will have limited access to the tool if they receive this status after being accepted.

This status should also be used in case of early expression of interest or registration (see the explanation for the '**On Hold**' status).

1.2.5.2 Recommendations

<u>Use of interviews</u>

When details contained in the application do not permit a sound judgment about whether or not the applicant is eligible, an interview should be held. This can be done by telephone, via the internet or through a face-to-face interview. New Entrepreneurs cannot refuse to come for an interview when this is deemed necessary by the IO.

Such interviews not only allow IOs to check the information provided in the application, assess candidate's motivation and needs, and add important missing data but also to inform the applicant about additional sources of funding outside the programme to cover stay costs.

Track the 'incomplete applications'

IOs have the possibility of tracking entrepreneurs who submitted their application but did not confirm it by clicking the link in the confirmation message sent to them upon registration (feature '**incomplete applications**' in the IT Management Tool). Sometimes applicants do not understand that they have to react to this email to complete their application procedure.

If a person remains in this list for more than a few days, it is good practice that IOs contact him/her by phone or by email to prompt him/her to check his/her inbox. The application will then automatically be moved to the follow-up list for monitoring and approval purposes. In like manner, if an IO receives a call from an entrepreneur, who claims he/she has submitted his/her application but the IO doesn't find it in the Inbox, the IO has the possibility of checking this list of **incomplete applications**.

Reserve an entrepreneur

IOs have the possibility to reserve their own accepted NEs/HEs. This option will temporarily prevent other IOs from proposing exchanges to them. Such entrepreneurs will nevertheless be available to all IOs but only for search purposes. The reservation period is for a maximum of 2 weeks. It can only be applied once for each entrepreneur

'Assessment' text box

IOs should complete the **'Assessment'** text box with a short summary about the particular strengths of the candidate and any other information about the applicant that might be useful to other IOs for matching purposes. Reasons for rejection should also be indicated.

'Remark' text box

IOs should indicate, within the '**Remark**' text box, any information that might be useful for internal processing of application (e.g. reasons for putting the application '**On Hold**'). Such information is visible to users from your own IO only but not visible to the applicant or to other IOs.

1.2.6 Deletion of registrations

NEs and HEs have the right to withdraw their registration from the programme. They need to confirm it by sending an email to their IO who will ask the Support Office to put the application in the status '**Deleted**'.

For auditing purposes, and in accordance with data protection rules and privacy policy statement, entrepreneurs that have participated in a relationship cannot be deleted from the database until the audit period has elapsed (5 years after completion of final payment).

1.2.7 Monitoring of activity and validation of continued interest of entrepreneurs

It is important for programme performance that the database of entrepreneurs is complete and up-to-date. It can be very disappointing for entrepreneurs to propose relationships that never get an answer, either because counterparts are no longer interested in participating in the programme or are not available for various reasons.

IOs should therefore maintain portfolio of their entrepreneurs' profiles updated from time to time and ensure that entrepreneurs are still interested in the programme.

The IT tool includes a system of flags which helps IOs understand the availability of entrepreneurs in the database and the activity of their own entrepreneurs.

This system includes an activity monitoring option based on the last login date. Entrepreneurs that have not logged in for the last 6 months will be flagged 'low activity' (orange). The corresponding IOs will then be alerted and prompted to validate interest of their entrepreneurs to participate in the programme. If no action is taken in the following 4 weeks, then the entrepreneurs are flagged 'inactive' (red) and they will lose their access to the catalogue.

Procedures for validation of interest of entrepreneurs and the possible actions to be taken are described in detail in the IT Tool Manual.

1.2.8 Data protection

It is forbidden to disclose any kind of personal data (e.g. contact details, CVs, business plans, etc.) of the registered entrepreneurs to third parties without explicit agreement from the relevant NEs and HEs.

Intermediary Organisations should ensure that they comply with all European and national data protection rules.

2 Building relationships

The programme defines relationships as a temporary connection between an NE and an HE — each belonging to a different Member State. Such a relationship is meant to be a period of contact and collaboration founded upon mutual interests and benefits. An eligible relationship will involve a stay of between one month and six months with an HE. The total length of stay may be spread over a longer overall period of not more than 12 months. Within this time span, the relationship may be divided into a number of time slots (minimum 1 week of five work days per slot), during which the actual visit by NE to HE takes place (maximum duration: six months). This should provide both NE and HE enough flexibility to manage their time and resources.

The text of the call that governs grant agreements clearly stipulates a main deliverable of between 50 and 80 entrepreneurs, as essential for achieving successful relationships.

IT User Manuals, both for IOs and for NEs/HEs, provide detailed instructions and guidelines for building relationships. They are available under the section 'Help' of the IT Management Tool.

2.1 The IT Management Tool — online catalogue

Accepted applications are shown on the online catalogue which allows all IOs to search for matches. Approved NEs and HEs can also search in the online database for appropriate partners and make suggestions to their IO.

The catalogue is not public. It can only be accessed by IOs, accepted HEs and accepted NEs, except when indicated otherwise.

HEs have the possibility of choosing the degree of visibility of their data in the online catalogue when registering:

* Visibility of your data in the online catalog : i

- 1= all information generally available
- 2= my profile should be generally available but contacts should be made through my IO
- 3= my profile should not be generally available

They select option 2 or 3, if they do not wish to be contacted directly by an NE or do not want to have their profile included in the online catalogue available to NEs who have been accepted to the programme.

2.2 Search and match

The process of successfully matching NEs and HEs is a key element of the mobility scheme.

Searching and matching is the process whereby information submitted by an NE in the catalogue is compared to information provided by an HE (and vice-versa), in order to find the closest possible match for an exchange.

A suitable business partner for NEs and HEs can be found in a number of different ways by:

1. Direct search in the online catalogue using the following available search criteria: sector (primary and secondary), country (of origin and target), languages (mother tongue and other working languages) and duration of exchange;
2. Using the matchmaking tool to propose matches based on criteria in the application profiles;
3. Pre-existing matches, i.e. HE and NE have already agreed on a relationship before registering;
4. Specific searches by directly contacting other IOs in the desired target country;
5. Entrepreneurs themselves searching the online catalogue for possible partners and proposing matches directly via the on-line tool;
6. Automatic suggestions sent by the system.

NEs can also be encouraged to look for HEs outside the online database (e.g. personal contacts, LinkedIn, etc.).

The 'Search/Match' section in the IT Management Tool allows IOs to:

- Review lists and details of accepted NEs and HEs associated to their own IO (or to any IO under their European partnership if the IO is the Lead IO);
- Perform score-based matching in order to instantly find the most suitable business partner for an NE or HE;
- Search NEs and HEs from other IOs in the catalogue, by using free text search or changing the preselected criteria for matching.

Please refer to the IT Users' Manual for a detailed description of the search function and the matching process.

2.2.1 Matchmaking tool

The IT Management Tool allows score based matching in order to instantly find the closest fitting counterparts for a potential exchange. Matching scores are calculated based on similarity percentages between the answers provided by an NE to key questions in the application form and the answers submitted by HEs present in the catalogue (and vice-versa).

The online system takes into account the following elements for matching:

Communication language
This criterion is of utmost importance for a successful exchange since NEs and HEs should be able to communicate properly. In the registration form, HEs and NEs specify their mother tongue and up to 4 other languages that they have no difficulty to understand, speak or write.

Match factors are:

- 100 % if NE and HE have specified the same mother tongue;
- 90 % if mother tongue specified by NE matches one of the other languages that HE specified as being comfortable to work in;
- 90 % if one of the languages that NE specified as being comfortable to work in matches HE's mother tongue;
- 80 % if one of the languages that NE specified as being comfortable to work in matches one of the languages that HE specified as being comfortable to work in;
- 40 % if there is no match.

Requested language abilities
In addition to spoken languages, HEs can define up to 3 languages that NEs should speak if the work or project proposed requires some specific languages skills (e.g. foreign market research).

Match factors are:

- 100 % if NE's mother tongue matches one of the languages required by HE;
- 100 % if one of the languages that NE specified as being comfortable to work in matches one of the languages required by HE;
- 0 % if neither NE's mother tongue nor other languages that he/she masters matches any of the languages required by HE.

Expected duration
NEs and HEs define their expected duration of stay in months when registering. The figure must be between 1 and 6 months.

Match factors are:

- 100 % if both have the same duration;
- 90 % if there is a 1 month difference;
- 70 % if difference is 2 months;
- 50 % if difference is 3 months;
- 20 % if difference is more than 3 months.

If duration of stay has to be changed, then Commitment does not have to be changed as the actual dates of stay abroad and amount of financial support can be inserted manually. The responsible IO(s) are requested to keep evidence of any corrections (e.g. keep a note with the file, etc.).

Sector(s) of activity
In the registration form, HEs and NEs should select up to 5 sectors out of a list of approximately 30 for their business activity. One of them should be designated as primary and the other 4 as secondary.

Match factors are:

- 100 % if both HE and NE selected the same primary;
- 90 % if selection corresponds to primary/secondary or secondary/secondary;
- 80 % if there is any other match;
- 40 % if there is no match.

Country
In the registration form, HEs and NEs should specify their country of origin and up to 4 target countries for NEs (the first of these is primary) or up to 4 source countries for HEs (the first of these is primary).

Match factors are:

- 100 % if HE country is primary target **AND** NE country is primary source, and vice-versa;
- 90 % if HE country is primary target **OR** NE country is primary source, own country is primary for the other;
- 80 % if both HE country and NE country are in the other's list;
- 70 % if either HE or NE country is in the list of the other;
- 40 % if there is no match.

2.2.2 Recommendations

IOs play a crucial role in the matchmaking process. It is therefore recommended that you must carefully assess the profiles of potential counterparts for your entrepreneurs (i.e. check motivations, objectives, etc.) and further discuss with your NEs and HEs, their expectations about the exchange in order to propose relevant matching based on **mutual interests and benefits**.

It should not be forgotten that the process is about **matching people**. IOs should therefore encourage NEs and HEs to speak to each other before confirming their relationship. This can be done via emails, by phone (interview) or by any other suitable means.

HEs are looking for motivated NEs with clear objectives. NEs must be conscious that they will not only 'receive' but also 'give'. They should be ready to contribute to the HE's business.

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2.2.3 'Suggestion of the week'

Every Friday afternoon, the IT tool scans the list of available entrepreneurs automatically and searches for the best current match, i.e. 'match of the week'. Entrepreneurs have the option to receive such automatic suggestions via email once a week, once every two weeks (the default value), once a month or to deactivate the function altogether. Please note that this feature is available for entrepreneurs ONLY (not for IOs).

The system scans the catalogue and searches for the best possible match using the automatic matching algorithm criteria defined by the user in his/her user profile in the same way as the automatic search functions.

Automatic suggestions respect the following rules:

1. Each eligible entrepreneur will receive only one suggestion per round.
2. The system never proposes the same automatic suggestion again.
3. The system avoids sending a suggestion to a pair of entrepreneurs for whom a proposal already exists in the database.
4. The system only suggests available entrepreneurs who:
    - o are accepted and not yet involved in any of the stages of building a relationship;
    - o have selected privacy option 1 or 2;
    - o are 'fully active' (green flag) (see 1.2.7 validation of aged applications);
    - o have less than 5 'proposals' = real relationships in proposal status plus automatic suggestions (active or passive).

The email notification contains a text that invites the entrepreneur to consult the profile. If the entrepreneur is interested in the profile and wants to launch a proposal he/she can do so by logging into the IT tool and following the indicated web-link.

The feature does not make proposals automatically. Entrepreneurs only receive a suggestion profile and must login into the application thereafter to make a proposal after verification of the profile.

2.3 Initiating relationships

The entire process of building a relationship can start after a suitable profile has been identified during the search phase. It is comprised of the following 2 important steps:

- **Proposing a relationship**
- **Drafting the Commitment**

One should bear in mind that the process of proposing a relationship, drafting the Commitment and approving the relationship may take up to **2 months.** The deadline set for each action should be respected by all parties as any delay in the relationship building process may cause cancellation of relationship or a postponement of exchange. Therefore, IOs and Lead IOs are requested to regularly monitor any incoming relationships which need their approval and take action in due time.

The IT Management Tool will automatically highlight relationships that have exceeded the deadline in **'Orange'**. Those that have significantly exceeded deadline and require urgent action will be highlighted in **'Pink'**.

Please note that IOs have the option to stop/cancel a relationship at any stage.

2.3.1 Proposing a relationship

Relationship status: 'Proposal'
Processing deadline: 14 days
Actors: NE/HE/HIO

A relationship between two entrepreneurs wishing to start an exchange can be proposed by the entrepreneurs themselves, using the '**Start relation proposal**' feature that is available to them in the Erasmus IT Management Tool. Entrepreneurs can propose **up to 5 relationships** at the same time. Only a cancellation of a proposed relationship will allow entrepreneurs to make a new proposal.

Alternatively, IOs may take the initiative of proposing relationships between some of their own entrepreneurs and other counterpart entrepreneurs with a matching profile. Newly proposed relationships are instantly notified to both partners by email, with direct links to the details of the proposed relationship and options to adopt or discard the proposal.

If the proposal is initiated by an IO, then approval of both NE and HE is required to establish the relationship. However, if the proposal is initiated by an entrepreneur, then only the approval of the counterpart NE or HE is required.

HIOs may accept relationships that have been proposed to their HEs if the latter have conferred on them the right to act on their behalf.

A reminder via email will be sent to the entrepreneur who has not reacted if no action has been taken after **two weeks** (i.e. approval or rejection of proposal). The proposed relationship will be automatically cancelled if NE and HE do not accept it after **4 weeks**.

Direct contact between NE and HE (on the phone or face-to-face) is strongly recommended before confirming the final match.

Accepted NEs, who have completed an exchange, or who are already involved in a relationship shall not be available in the online catalogue thereafter.

2.3.2 Drafting Commitment

Relationship status: 'Draft'
Processing deadline: 21 days
Actors: NIO

A relationship reaches '**Draft'** status whenever a relationship proposal is endorsed_by two entrepreneurs. At this stage, all parties involved (NE, HE, responsible IOs) must agree on an **Erasmus for Young Entrepreneurs Commitment**, and establish the objective(s) of the exchange, the activity plan, the responsibilities, the expected outcomes, the duration of the stay and the planned start and end dates, etc. It is very important to make sure that all relevant elements are covered in this document, as this will be the basis for the cooperation between the 2 entrepreneurs over the following months. Experience shows that a better prepared Commitment document gives rise to fewer problems at Commitment execution.

The IO responsible for an NE (NIO) is the one that is in charge of drafting the Erasmus for Young Entrepreneurs Commitment and submitting it to the other party for approval.

The drafting of the Commitment is a crucial step in relationship building as it will regulate the relationship between NE and HE. IOs should pay special attention to eligibility of entrepreneurs (see chapters1.2.1 and 1.2.2) and the content of the exchanges (i.e. objectives, activities, expected outcomes, etc.) that they intend to match.

In particular, the following formal items should be verified:

- Length of stay: minimum 1 month and maximum 6 months. When split, each slot should be for a minimum of 1 week and must be completed within 12 months;
- Dates of stay should be within the duration of NIO's activity;
- Entrepreneurs should have their permanent residence in two different EU Member States.

IOs should also pay attention to possible conflicts of interest, e.g. former or current employees staying at their employer's premises, pseudo-franchising situations or purely educational exchanges. These are only examples and other situations may arise which should be handled on a case by case basis.

Moreover, any Commitment should also include the objectives pursued by both entrepreneurs and their respective expected outcome. It should detail the mentoring activities that HE will carry out with NE and to the maximum possible extent the activities that NE will carry out. Taking into account that the success of a relationship depends on whether or not Commitment has been respected, the document should contain enough elements that can be assessed. Commitment should be specific to the relationship and avoid general statements (such as the objective of 'improving managerial skills' or outcomes such as 'better knowledge of how to run a business').

2.3.3 Approving Commitment

Relationship status: **'Ready for approval' and 'EP approval' (consecutively)**
Processing deadline: **7 days each**
Actors: **NE/HE/HIO/HEP/NEP**

When an NIO has finished drafting the Commitment, it is first submitted for approval to the 2 entrepreneurs and the IO (status '**Ready for approval**'), and then to the Lead IO of the European partnerships that is involved in the financial assistance (status '**EP approval**') of the relationship. By agreeing upon this document, the pertinent NE, HE and both IOs confirm that they will abide by the obligations of the Erasmus for Young Entrepreneurs Commitment.

Drafting and signing of the Erasmus for Young Entrepreneurs Commitment is done through the IT Management Tool. No signed paper copy is needed. Please refer to the IT Users' Manual for more information.

Names of the legal representatives of both IOs will appear in the Commitment. This is independent of who 'signs' into the system (which is an internal organisational issue of each IO). The principle should be that only the person who can issue a legally binding act should appear in the Commitment (not the contact person).

Eligibility criteria of a relationship:

1. NE and HE are accepted as entrepreneurs only when they comply with the admission criteria referred to in heading 1.2.2 Participation criteria;
2. **NE** and **HE** must reside in **two different EU Members States** (whatever their nationalities);
3. Relationship must include an active **NIO** and an active **HIO** from **two different EU Members States**. Entrepreneurs should reside in the country of their respective IO unless exceptional circumstances apply. IOs may be part of the same European Partnership or not;
4. The exchange will finish before the activity end date of both IOs;
5. There is no conflict of interest between NE and HE (e.g. franchisor-franchisee, HE investor or partner in NE´s business, etc.) or between any of them and their corresponding IOs;
6. The relationship is a business to business relationship.

2.4 Confirming relationships

2.4.1 *Communication to the European Commission*

All relationships already approved by the corresponding EPs will immediately receive the status ‘Ready for training’. The call text does, however, foresee **communication** of such relationships to the European Commission, which is done via the IT Tool.

The European Commission will monitor eligibility and quality of the matched relationships on a sample basis. Based on the available data, IOs are responsible for ensuring eligibility of each participating entrepreneur and the relationship between them.

Relationships which are clearly ineligible according to the data facilitated to the involved IOs will not be considered eligible for funding.

2.5 Agreement for Financial Support to the new entrepreneur

2.5.1 *Agreement for Financial Support to the new entrepreneur*

Grant agreements awarded under call 2010 foresee payment of monthly lump sums to the entrepreneurs. Such lump sums per country are defined in Annex 1.

A lump sum is defined as a global amount deemed to cover all necessary expenses, such as travel, accommodation and subsistence. This amount is paid without any further justification of costs incurred.

However, NIOs should gather sufficient evidence that the relationship has taken place.

2.5.1.1 Payment arrangements

NIO should make an advance payment to NE of at least 50 % of the total amount due for the stay. The balance should be paid within 45 days of submission of the corresponding feedback questionnaire.

2.5.2 Other agreements

IOs must ensure that NEs and HEs are aware that they may need to sign other agreements considered important, such as those related to confidentiality, intellectual property/industrial products, etc.. NE and HE are free to sign such bilateral arrangements, but they must not contradict the clauses of the Commitment or of the grant agreement.

NEs might ask IOs to sign a Non-Disclosure Agreement (NDA) or another kind of confidentiality agreement to protect information mentioned in his/her business plan.

HEs and NEs might agree on financial compensation to be paid to NEs for contribution made to HEs business.

3 Preparation and follow-up of exchanges

3.1 Preparing the exchange

3.1.1 Pre-departure induction course for NEs

Relationship status: 'Ready for training'
Processing deadline: N/A
Actor: NIO

Before going abroad, NEs should participate in a pre-departure induction course which will include information on the mobility scheme and important EU related business subjects, such as the internal market, European law issues (particularly regarding business and contract law) and support services, including the European Enterprise Network (EEN) and SOLVIT.

Each European partnership/IO is responsible for developing its own information kit and guidelines for handover to NEs (i.e. format and content). Once a relationship has been approved by the European Partnership and communicated to the Commission, NIO should organise and provide a training session for NE according to the methodology defined by its consortium and include general information on EU related topics.

Participating entrepreneurs, particularly NEs, need to be informed on how the EU internal market functions, as well as the many remaining barriers to buying and selling across borders that they may encounter. A set of very practical online information sheets available to NIOs contain information on key aspects of the single market, how it is supposed to function and case studies on obstacles encountered and how to address them. These can be used during the induction sessions by NEs throughout their stay abroad.

Training should contain at least the following topics:

Financial rules

- NEs should be informed about the policy and rules for eligibility of costs incurred during the exchange (i.e., whether or not applicable), possibilities for an advance payment, and the reimbursement procedure.
- The financial agreement between IO and NE must be explained and signed.

Programme rules

- NEs should be informed that they can obtain an extension of their exchange (please check the criteria for this).
- They should be informed about the complaint procedure.
- They should be informed about the reporting procedure.

- They should be informed on what would happen in case of failed or early termination of stay abroad.
- They should be informed of their responsibilities during the exchange.
- They should be informed of HE´s responsibilities during the exchange.
- They should be provided with a welcome pack which will include practical information about the host country, accommodation, contact details of the HIO, SO, insurance, etc..
- They should be encouraged to send their success story and participate in an Alumni Network.
- NEs can only participate once.

3.1.2 Ready-to-start Stay

Relationship status: 'Ready-to-start Stay'
Processing deadline: N/A
Actor: HIO

HIO should enter the real start date of the exchange into the IT Management Tool only after NE has attended the training. A temporary future start date can be set and adjusted later if it turns out to be different from the actual start date of the stay.

3.2 Stay in host country

Relationship status: 'Stay Ongoing'
Processing deadline: N/A
Actors: HIO

3.2.1 Duration of stay abroad

The minimum duration of stay abroad is one month and the maximum duration is six months.

A week is defined as five consecutive working days. A month is defined as four weeks.

Fragmented stay

NE and HE may agree that the stay abroad should be completed in multiple periods of at least one week each. However, it must be completed within an overall time span of twelve months.

Extension of an exchange

Extension of a relationship after approval is allowed, with or without an increase in the initial financial contribution agreed, **only** if the relationship is still ongoing and if all actors (NIO, HIO, NEP and HEP) remain the same[14].

An exchange can be continued for a maximum duration of 6 months upon agreement by all parties concerned. Financial contribution will not necessarily be increased, as this will depend upon the budgetary situation of NIOs. The responsible IO(s) are requested to keep evidence of such corrections (e.g. keep a written justification of the changes on file, etc.) and of amendments made to the agreement between NIO and NE that reflect any increase of financial support (where applicable) and duration of stay abroad. These should be signed.

The information in the IT Management Tool remains unchanged, save for the actual start and end dates of the relationship.

Please note that NE is obliged to immediately inform his/her NIO and the corresponding HIO of any developments that might have an impact on his/her stay or his/her relationship with HE.

3.2.2 On-site support and monitoring of relationships

Host Intermediary Organisations act as the local contact for incoming NEs during their stay. It is expected that HIOs offer local assistance to visiting NEs during their stay with HEs and regularly monitor in liaison with NIOs that the exchange takes place smoothly.

NIO should therefore provide NE before his/her departure with the contact details of HIO and staff members who will be responsible for the relationship during his/her stay abroad.

Responsibilities of HIO during the stay abroad

- HIO should ensure that it has sufficient up-to-date information about the relationship (i.e. objective(s) of the stay, activity plan, expected outcomes, etc.) and, when possible, a meeting between HE, NE and HIO should be held at the beginning of the stay;
- Right at the beginning of the stay, HIO should via a meeting or phone call contact, NE in order to introduce him/her to the organisation, the staff in charge of the relationship and the support services available to him/her during the stay;
- Upon arrival, NE should receive a « **Welcome Pack** » prepared by HIO, which should include information about the host country (cultural information) and also on how to address practical questions (housing, transport, insurance, etc.);
- HIO should inform HE and NE about the need to alert both NIO and HIO in case of problems that might hinder progress or satisfactory completion of the exchange and about the consequences of a failed relationship.

[14] A relationship should correspond to a specific grant agreement for NIO/NEP and HIO/HEP.

Suggestion: IO might ask NE and HE to complete a brief intermediary activity report, halfway through the exchange. Care should nonetheless be taken not to burden entrepreneurs too much.

Example of Welcome Pack contents:

- Information about host country, region and city;
- Information about HIO and available support services;
- Map of city/region;
- Accommodation;
- Administrative steps required before and after leaving country;
- Health insurance;
- Accident insurance;
- Transport;
- Useful telephone numbers;
- Internet access;
- Financial provisions;
- Emergencies (police, hospital(s), card stop, etc.);
- Useful addresses (post offices, tourist information office, doctors, language training centres, etc.);
- Books, booklets, leaflets etc.;
- Web pages.

<u>Responsibilities of NIO during stay abroad</u>

- Disburse funding to NE as appropriate, on the basis of agreed activities, milestones and reporting;
- Evaluate with each NE their personal and professional development achieved;
- Inform NE about complaint procedures and consequences of a failed relationship.

IOs are jointly responsible for follow up of the exchange. NE and HE should be contacted regularly during the stay to check progress of the exchange. A regular phone call or email to both NE and HE is recommended (every week at the beginning of the exchange and less frequently thereafter). IOs should agree on modalities of such monitoring to avoid overlaps. It is furthermore recommended that HIOs visit NEs/HEs during the exchange period.

<u>Responsibilities of NE during stay abroad</u>

- Abide by the compulsory regulations which apply to the host entrepreneur;
- Respect the code of conduct and confidentiality rules of the host entrepreneur;
- Communicate with Intermediary Organisations about any problem or changes regarding the placement;
- Comply with all arrangements negotiated for his or her stay in order to achieve the stated objectives. In particular, execute the agreed planned activities and do his or her best to make the stay a success;
- Submit a report in the specified format, together with the requested supporting documentation to substantiate costs, at the end of stay.

Responsibilities of HE during stay abroad

- Comply with all arrangements negotiated for the stay in order to achieve the stated objectives. In particular, execute agreed planned activities, stimulate improvement of NE´s project and do his or her best to make the stay a success;
- Agree with NE about tasks and responsibilities that match his or her knowledge, skills, competences and objectives and ensure that appropriate equipment and support are available and that NE's work/learning objectives are achieved;
- Foster NE's understanding of entrepreneurship and how to start-up a business;
- Provide practical support if required;
- Submit a report in the specified format at the end of stay.

Whenever possible, NIOs are particularly encouraged to continue contact with NE after end of stay. A comment in NEs profile after the stay, stating the visible improvements in their business idea/entrepreneurial skills, would be of great value for subsequent evaluation of the programme.

3.3 Finalising the exchange

3.3.1 Evaluation of exchange by entrepreneurs

Relationship status: 'Waiting for feedback'
Processing deadline: 15 days
Actors: NE/HE

After completion of the period abroad, NE and HE are expected to submit a final activity report about the exchange. As soon as HIO has entered the end date of the stay in the IT Management Tool, the relationship reaches the step '**Waiting for feedback**' and the two entrepreneurs involved in the exchange are automatically invited by email to fill in an online final activity report (feedback questionnaire) in the IT Management Tool. The questionnaire can be found on the intranet, section 'Document Library[15]'.

[15] http://www.erasmus-entrepreneurs.eu/members/library.php?cat=79.

HIOs are responsible for entering the actual end date of stay into the system. This action will trigger the feedback procedure. HIOs should verify with HE, the actual date on which the exchange finished and ensure that such information is correct (avoid introduction of the planned end date without further verification).

The aim of the questionnaire is to evaluate whether the relationship was successful or not and measure satisfaction level of the exchange and the programme in general.

Entrepreneurs have **two weeks** to complete the feedback questionnaire. The two IOs involved in the relationship are responsible for requesting timely submission of the final activity report by their entrepreneur. IOs can monitor this via the IT Management Tool. The letters « NE/HE » in red for that relationship in the 'Actors' column means that nobody has completed the survey yet. « NE » or « HE » becomes green when a report has been submitted.

The final activity report should be completed by NEs and HEs themselves. In case, HE is unable to fill in the feedback questionnaire in due time because of lack of time and/or other responsibilities, someone from his/her company should collect the related information and complete the final report on his/her behalf using his/her login and password.

Once submitted, the final activity report is accessible to the responsible IO for validation.

3.3.2 Validation of exchange

Relationship status: 'Feedback validation'
Processing deadline: 7 days
Actors: NIO/HIO

IOs responsible for the exchange are supposed to review the answers provided by their entrepreneur and evaluate whether or not the relationship was successful. This procedure is carried out via the IT Management Tool (step 'Feedback validation') and IO has **seven days** to assess its entrepreneur's final activity report. If the evaluation is complete, then IO validates the entrepreneur's report and the exchange dossier is closed.

Sometimes, IOs may think that some information provided by its entrepreneur is unclear or not detailed enough. They then have the option to return the survey to the entrepreneur, prompting him/her to provide more details or to clarify some points as necessary. The entrepreneur is automatically notified by email in such cases.

3.3.2.1 Evaluation criteria

IOs must evaluate whether or not the relationship was successful.

A **successful relationship** is defined by the European Commission as a relationship between an NE and HE that has been established with the help of two IO(s) provided that such relationship:

- Has been communicated to the European Commission in accordance with the rules applicable to the programme;
- Has been implemented in accordance with the commitments agreed upon in writing in the Erasmus for Young Entrepreneurs Commitment by HE, NE and the IOs involved;
- Lasted for the agreed period of time;
- Was assessed as successful by the two entrepreneurs.

A report from only one side (i.e. from HE or from NE) is not enough to prove that the relationship was successful. If just one entrepreneur has well justified reasons/arguments which allow him/her to conclude that the relationship did not respect the commitments agreed upon by the participating partners (i.e. HE; NE; IO), then it is more likely that such a relationship will be considered as unsuccessful.

3.3.2.2 Early completion of an exchange

In principle, NE should stay for the full term of the exchange, as specified in the agreement for financial support that he/she signed with the IO. However, there might be an exception to this rule, namely if HE and NE mutually agree that the relationship can be shorter than initially agreed. In such a case, justification must be provided that the relationship was nevertheless successful. This means that, in their reports, both NE and HE must explain the reasons for early termination of the exchange and conclude that the stay abroad was nevertheless a success.

The programme requests a minimum stay of 4 weeks. If an NE has to return home before the end of the 4 week period and furthermore if NE and HE reports are positive, then the relationship can be considered as successful provided that the reduction below the minimum time spent abroad is well justified.

Reimbursement of expenditure

In case of an early completion of an exchange which is nevertheless **successful**, NE is entitled to receive financial assistance for the time he/she actually stayed abroad. In such cases provisions of chapters 2.5 and 3.3.4 of this Quality Manual shall become applicable.

3.3.2.3 Dealing with failed relationships

A failed relationship is defined as a relationship between an NE and an HE that did not fulfil the commitments agreed to by HE, NE and the IOs, involved in the Erasmus for Young Entrepreneurs Commitment. That is, the work carried out was unrelated to the entrepreneurial field, daily working hours were too long 10-12h, or objectives were not respected.

However, a relationship is not considered as failed when:

- NE stays for the full time of the contract;
- NE and HE mutually agree that the relationship can be shorter than initially agreed and are both satisfied with the exchange;
- The relationship breaks due to force majeure.

Reimbursement of expenditure

NIO should assess validity of the reasons given by the new entrepreneur for early termination of an exchange because the relationship **failed**. NE will have to reimburse any amounts received if the relationship failed because NE did not respect his/her obligations under the Erasmus for Young Entrepreneurs Commitment.

No reimbursement will be claimed from NE and final payment will be made if the relationship failed because HE did not respect his/her obligations under the Erasmus for Young Entrepreneurs Commitment.

When responsibility for the unsuccessful relationship cannot be apportioned to either NE or HE, then the decision to reimburse the new entrepreneur should be taken by the European Commission.

3.3.3 Exchange completed

The relationship reaches the step **completed** in the IT Management Tool after the final activity reports of the two entrepreneurs have been validated by HIO and NIO, and the exchange dossier is closed.

HEs who in their final activity report stated that they would like to host a new entrepreneur again, become available for future exchanges in the online catalogue. NEs however, can only participate once in the programme.

3.4 Maximising long-term benefits of the exchange

3.4.1 Making the most of your success stories

Once an IO has finished coordinating a successful relationship, the exchange can be promoted to give visibility to the participating entrepreneurs and encourage others to join the programme.

The Support Office has developed a **Success Story Kit** in order to help Intermediary Organisations write about their successful exchanges. The kit contains the following documents:

- Guidelines on how to write an appealing success story;
- A press release template to outline the success story;
- Tips and tricks on how to maximise the promotional value of the successful relationship (e.g. advertising a story to journalists, using 'ambassadors' at events, etc.).

The Success Story Kit is available on the intranet, under the section 'Document Library'[16].

Furthermore, the programme website offers IOs the opportunity to promote their fruitful exchanges. Intermediary Organisations can submit success stories and testimonials of entrepreneurs by using the **online forms** available on the intranet, under the section 'success stories and testimonials'[17].

Please follow the suggested guidelines before submitting your story: http://www.erasmus-entrepreneurs.eu/members/library.php?cat=89.

We recommend that both IOs collaborate to write a high quality success story for publication on the programme's website.

The more stories you have as an Intermediary Organisation, the more entrepreneurs will want to join you.

3.4.2 Establishing an Alumni Network

Building awareness, communicating the benefits of the programme and creating customer loyalty takes time. Establishing an Alumni Network for the programme will considerably increase the visibility of this new mobility scheme and position it as a high quality professional European exchange programme, as well as provide ongoing value to the participating entrepreneurs.

Certificates and labels have been developed with the intention of creating such a network of alumni and are at the IOs' disposal.

a) Erasmus for Young Entrepreneurs certificates

[16] http://www.erasmus-entrepreneurs.eu/members/library.php?cat=89.
[17] http://www.erasmus-entrepreneurs.eu/members/stories.php.

The Erasmus for Young Entrepreneurs certificate officially attests successful participation of an NE or HE in the programme.

Conditions of use

- The certificate should be given by the responsible IO to an NE on successful completion of stay abroad, following positive feedback from HE. The responsible IO should likewise issue a certificate to HE upon successful completion of stay abroad, after a positive feedback from NE;
- The certificate should be printed in colour, signed, stamped and dated by the responsible IO;
- The certificate text may be translated but should never be altered;
- The certificate should contain the relationship number;
- Each certificate template should leave sufficient space for the partner's own logo.

Suggestions

IOs may organise an award ceremony once a year to bring together all NEs and HEs from the region, thus raising the profile of both the IO and the Alumni Network.

A press breakfast can also be organised directly after completion of the relationship to present the success story and to award both HE and NE with labels (pins) and certificates.

Where can you find the certificates?

Certificates can be downloaded from the programme intranet, section 'Press & Communications'[18].

Note: The signature of the European Commission is available in 23 EU languages and can be downloaded at http://ec.europa.eu/enterprise/templates/charte_graphique/index.htm.

b) Erasmus Host Entrepreneur labels

Labels certify participation of an entrepreneur in the programme as an HE and officially recognise his/her key role and valuable contribution in supporting and mentoring an NE from another EU country. These labels will increase motivation of HEs to participate in the programme and enhance visibility and promotion of the programme.

Conditions of use

- There are three coloured versions of the label. The green label should be handed out by the responsible IO to an HE upon completion of at least one successful relationship, the silver label requires 2-5 successful relationships and the golden label requires 6 or more successful relationships;

[18] http://www.erasmus-entrepreneurs.eu/members/press.php?section=2&cat=42.

- HE must have fully and successfully completed an exchange with an NE (i.e. the learning experience and overall working relationship with NE have been of high quality and the agreed period was respected);
- Positive feedback from NE in the official final activity report;
- IOs are responsible for checking that the above conditions are met;
- Label can only be used by HEs who have participated in the programme. It can be displayed on their website together with all other promotional material;
- Label should never be altered or redesigned, colours or the font changed, or proportions modified.

Duration

There is no time limit for the use of the Erasmus for Young Entrepreneurs HE labels since they raises awareness of the programme, which is fundamental to the recruitment of NEs and HEs, and contribute to the creation of a ‘brand’. Entrepreneurs should be pleased to be part of the Erasmus for Young Entrepreneurs HEs network.

Colours

- Green label: 1 successful relationship
- Silver label: 2-5 successful relationships
- Golden label: 6 or more successful relationships

Format

Only electronic versions are available in eps format.

The respective labels can be downloaded from the programme intranet, section ‘Press & Communications’[19].

[19] http://www.erasmus-entrepreneurs.eu/members/press.php?section=2&cat=41.

4 General Programme Rules and Procedures

4.1 Programme development and lifecycles

4.1.1 Pilot scheme

The programme is organised in cycles which correspond to the periodic calls for proposals. Two subsequent cycles overlap during a period and their lengths may vary.

4.1.2 End of activities and IO transition

Each European partnership only belongs to one specific cycle. Participating IOs can be part of several cycles within the same or different EPs, as long as they are selected in the corresponding call for proposals. During overlapping periods, IOs can organise exchanges between themselves irrespective of the cycle they belong to.

However, at the end of each cycle, the following rules will apply to IOs terminating their contract.

Two months prior to end of the activity period (end of grant agreements), the IOs involved in the cycle will become invisible, which means that:

1. Their contact details will disappear from the public website, section 'Your local contact point'[20];
2. New applicants therefore cannot select them when applying;
3. Their registered NEs/HEs are automatically notified by email to inform them that they have to select another IO that is still active in the programme, if their exchange is foreseen beyond their own IO activity date. The procedure to follow for an IO change is described in the registration guide for new entrepreneurs[21] and for host entrepreneurs[22].

IOs will only have limited access to the IT tool at the end of the activity period. They will be able to manage their ongoing relationships but will have no access to the catalogue.

IOs participating in subsequent cycles will have no access restrictions in the transition period.

Furthermore, the following procedures have been set up for handling applications and relationships.

[20] http://www.erasmus-entrepreneurs.eu/page.php?cid=05&pid=018&ctr=IT.
[21] http://www.erasmus-entrepreneurs.eu/members/upload/RegistrationGuideNErevisedFINAL_4c51ba823117d.pdf.
[22] http://www.erasmus-entrepreneurs.eu/members/upload/RegistrationGuideHErevisedFINAL_4c51bd778835f.pdf.

4.1.2.1 Handling of applications at the end of a cycle

1) Non-processed applications in 'Applied' status
No new applications can be accepted unless IOs from a cycle can ensure NEs/HEs placements during the contract period (1 or 2 months maximum). The applications will remain in **'Applied'** status until NEs/HEs change their IO.

2) Applications 'On Hold' and 'Accepted'

- The '**On Hold**' applications should be set to '**Back to Applicant'** so that NE/HE can find another IO. Such new IO will perform its own assessment.
- For '**Accepted**' applications, the leaving IO should attempt to find another IO that is ready to accept the applications, especially if the application of an NE/HE is of good quality and does not need to be assessed again [by another IO]. The new IO will decide whether he/she wants to accept the NE/HE without a reassessment.
- Should the leaving IO not be able to find another IO, the application will be flagged as '**Floating**' at the end of activity and reassigned, where possible, to another IO by the Support Office.
- Applications in status '**Accepted**' will be flagged as '**Floating**' and reassigned, where possible, to another IO by the Support Office.
- Applications which do not comply with minimum quality standards will be set to '**Back to Applicant**' by the Support Office.

4.1.2.2 Handling of relationships

As previously mentioned, no matching can be organised by IOs if the stay period continues after their activity period has ended (end date of grant agreement). The IT Management Tool does an automatic check and only accepts relationships that finish before the end date of the NIO grant agreement.

1) Relationships already validated by the Commission
Ongoing relationships should be finished before activity end date (end of the grant agreement). After that date, and until three months after the end of your activity, you will still be able to manage those relationships in order to validate feedbacks and get them to status '**Complete**'.

2) Relationships in the building phase
Building relationships is still possible as long as the end of stay date falls before the activity end date. Management of such relationships is the same as for ongoing relationships.

3) Relationships in the execution phase
Do not forget to monitor and follow up relationships that are under the status '**Feedback Validation**'. These require action on your part. Please also send us your best success stories.

Important remarks:

IOs will not be notified by email when their NEs/HEs have changed their IO. It will therefore be normal for their applications to disappear from the IOs monitoring screen in the IT tool.

It is currently not possible for NEs or HEs involved in a relationship to change their IO. The current relationship should be cancelled (if the stay has not started yet) or completed (including feedback validation) in order to change IO. HEs will only be able to change their IO after they get back into the online catalogue. NEs that have participated in a relationship cannot participate in the Erasmus for Young Entrepreneurs programme again and therefore no change of IO is needed.

The duration of a grant agreement can be extended in duly justified cases. The project coordinator (authorised representative) has to send a request for amendment to the Commission, by clearly indicating the necessary modifications and the reasons that justify such request. Requests for extension are subject to approval by the European Commission and when approved, are not official until the corresponding amendment to the grant agreement has been signed. IOs are required not to commit themselves towards entrepreneurs for extensions that have not been formalised via a signed amendment.

4.2 Erasmus for Young Entrepreneurs network

4.2.1 European Partnership definition

Intermediary Organisations (IOs) are organised into European partnerships (EPs) which are composed of one or more IOs from one or more EU Member States. Each partnership cooperates with its counterparts across Europe to facilitate relationships between NEs and HEs. A relationship organised between two IOs in the same EP is called 'intra-consortium' and a relationship organised between IOs from different EPs is called 'inter-consortium'. Each EP has its own quota of successful relationships.

IOs are responsible for promoting the programme at national/regional/local level and furthermore for recruiting NEs and HEs, assessing their applications and searching for appropriate matches. They also offer assistance and guidance to entrepreneurs, manage agreements and the Commitment and evaluate relationships as successful or not following criteria established by the European Commission.

4.2.2 European Partnership coordinators' responsibilities

Every EP has a Lead IO, which acts as the coordinator of the consortium. The Lead IO must appoint a coordinator (one or two contact persons), who will be the main link with the IOs, the Support Office and the European Commission.

Lead IOs are responsible for providing guidance and support to their IOs. They must also ensure that the programme is well coordinated and that the quarterly activity reports are accurate and submitted on time to the Support Office.

Since the EP coordinators are the main communications channel towards the others, it is important that they convey information effectively and communicate in a clear and transparent manner.

EP coordinators responsibilities also include:

- Attending Network Meetings;
- Organising a 'get-acquainted meeting' for their EP (could be at fringes of a Network Meeting);
- Preparing EP strategies;
- Reporting problems to the Support Office;
- Providing EP quarterly activity reports to the Support Office.

Lead IOs expect a close collaboration from their partners in the consortium.

4.2.3 Cooperation among IOs

In addition to promotion, cooperation among IOs is also a crucial element to ensure successful placements of NEs in host companies and consequently to increase the chances of each IO to reach its relationship quota.

Network meetings are organised, especially to give IOs the opportunity to exchange views and collect relevant feedback and information. Workshops on different themes also offer IOs the opportunity to share their experiences.

The Support Office helps and encourages partners to meet each other by organising speed dating during kick-off meetings.

4.2.4 Non-performing IOs and termination of participation

Under certain conditions, an EP has the right to request termination of participation of one the IOs under its responsibility in the grant agreement (e.g. in the case of proven non-performance). In such a case, the Lead IO must ensure that the Support Office and the

European Commission are aware of this fact and that the corresponding procedures are carried out. EPs must ensure that no NE or HE is involved in a relationship with the IO concerned and that applicants are re-directed to other IOs.

The Commission has the right to terminate participation of an IO in a grant agreement or to terminate the grant agreement in specific circumstances.

For further details, please refer to Article II.11 of the grant agreement. Also see chapter 4.3.2 for withdrawal procedures.

4.3 Contractual procedures

4.3.1 Communicating staff changes

Staff changes when affecting the authorised representative imply amendments in the IT Management Tool, the directory for Intermediary Organisations, the programme website and the grant agreement.

4.3.1.1 Change of legal name, official address or authorised representative of an IO

A change of legal name, official address or authorised representative must be reflected in the grant agreement between the EP and the European Commission. Therefore, the EP's Lead IO has to officially send in a request for amendment.

The **official request should be signed by the authorised representative of the EP's Lead IO/** and must include, according to the necessary changes:

- A duly completed, dated and signed legal entity form (available at http://ec.europa.eu/budget/execution/legal_entities_en.htm);
- An extract from the register of commerce (or, if applicable, the publication in an official gazette);
- A VAT certificate, whenever applicable;
- Suitable evidence of the actual change (e.g. publication of the new representative in the official journal).

Such official notification of change should be sent to:

Mr Marko Curavi•
European Commission
Enterprise and Industry DG
Unit E1 — Entrepreneurship
BREY 06/284
1049 Brussels
Belgium

4.3.1.2 Change of primary contact

Each IO must nominate a primary contact, who will be the person that gets in touch with NEs, HEs and the Support Office. His /her contact details will appear on the programme's website under the section '**Your local contact point**', in the Management Tool under the section '**IO Mgt**' and in the **directory for Intermediary Organisations**.

Any changes related to the primary contact must be sent to the Support Office for updates.

4.3.1.3 Change of IO staff

'**IO staff**' refers to the team running the programme in your organisation. Any new staff or change must be communicated to your Lead IO as soon as possible. The Lead IO will then create an account in the IT Management Tool so that he/she can access the application and handle the work properly. If a member of the staff is replaced or has left your organisation, you should also inform the Support Office about this, so that technical support can deactivate the contact in the IT Management Tool.

4.3.2 Withdrawal of IO from EP

The procedure for IO to withdraw from EP has to be officially launched by the EP's Lead IO and the following documents need to be submitted to the European Commission:

- **An official request for amendment by the Lead IO**, explaining the requested changes and stating that the project can be carried out without substantial changes (with or without modifications). Such a letter must be signed by the authorised representative of the lead partner;

- **An accompanying letter of withdrawal of the partner organisation,** indicating the exact date of withdrawal from the project, stating — if applicable — that no pre-financing was received and no cost was incurred. Such a letter must be signed by the authorised representative of the partner organisation. If costs have been incurred by this partner IO, a financial statement has to be attached to the letter;

- If such a change implies **modification** of budget tables (B1 and B2) and/or of the description of work, then such modified documents shall be attached to the request for amendment.

The corresponding update in the IT Management Tool can only be completed following acceptance by the European Commission.

4.3.3 New IO joining an EP

It is possible to add an additional IO to an existing European Partnership. The procedure has to be officially launched by the EP's Lead IO and the following documents need to be submitted to the European Commission:

- **An official request for amendment by the Lead IO**, explaining the requested changes and stating that the project can be carried out without substantial changes (with or without modifications). Such letter must be signed by the authorised representative of the lead partner;

- **An accompanying letter of intent from the new partner organisation,** indicating the exact date of accession to the project, and mentioning the name of the authorised representative of the organisation;

- A duly completed, dated and signed legal entity form (available at http://ec.europa.eu/budget/execution/legal_entities_en.htm);

- An extract from the register of commerce (or, when applicable, the publication in an official gazette);

- A VAT certificate, if required;

- If such a change implies **modification** of budget tables (B1 and B2) and/or of the description of work, then such modified documents shall be attached to the request for amendment.

The corresponding update in the IT Management Tool can only be completed following acceptance by the European Commission.

4.4 Solving problems and conflicts

4.4.1 Complaints from NEs/HEs

NEs/HEs involved in the programme have the right to make a complaint to express their dissatisfaction (e.g. rejection of their application, problems with relationships, etc.).

IOs are expected to sort out the problem directly with the entrepreneur in a relatively short period of time, without any unjustified delay. IOs dealing with complaints are encouraged, whenever practical, to meet with the NE/HE to ensure a mutual understanding of the issue.

If, for any reason, the problem encountered cannot be solved informally, NEs/HEs should formally contact the Support Office, which will try to find equitable and fair solutions with the parties involved. The European Commission will only be involved in case of major difficulties.

Entrepreneurs are expected to describe the problem and the outcome(s) they are seeking in an email. The conclusion of the case will be communicated by email to the entrepreneur, with a copy to the IO, in a reasonable period of time.

4.4.2 Problem solving procedure for IOs

(1) Problem statements should be sent to the Lead IO of the European partnership;

(2) If the problem concerns **contractual aspects of the programme**, then the Lead IO will send an email to the European Commission at entr-entreprenurship@ec.europa.eu;

(3) If it is a **general or technical problem**, the Lead IO will send an email to the Support Office at support@erasmus-entrepreneurs.eu;

(4) The request stating **a technical problem** should contain the following points (if relevant):

- (a) NE/HE email address used for registration.
- (b) Application status (if the NE/HE is **not** involved in a relationship).
- (c) Relationship ID and status (if the NE/HE **is** involved in a relationship).
- (d) Web browser used.
- (e) Brief description of the problem.
- (f) Screen shot.

The request will be forwarded, if necessary, by the Support Office to the technical support of the Commission. The problem will be solved with minimum delay.

(5) If it is a **business-related question** (how to) and if the answer does not need the intervention of the European Commission, the Support Office will directly reply to the Lead IO within a period of **five working days** using its functional mailbox (support@erasmus-entrepreneurs.eu).

REMARKS:

(1) IOs and entrepreneurs are **not** allowed to directly contact the technical support of the Commission.

(2) The technical support of the Commission will try its best to solve problems despite the many constraints that are linked to supporting external people (language, PC configuration, etc.).

(3) If technical support needs further information to resolve the problem, they will contact the relevant IO/NE/HE. Such so-called external users should reply as soon as possible. The call will be closed with a comment after sending two reminders.

4.5 Core programme documents and meetings

4.5.1 Six-monthly activity or technical implementation reports

According to the call for proposals, IOs are **obliged** to regularly report about their activities and any difficulties encountered. These reports are called Activity Reports for cycle 2 grant agreements and Technical Implementation Reports for cycle 3 grant agreements.

Procedure

Each IO must prepare a short six-monthly report in English and send it by email to their Lead IO one week before the deadline for submission to the Support Office.

The Lead IO is responsible for consolidating the input received from its partners and emailing the EP report email to the Support Office (support@erasmus-entrepreneurs.eu) by the submission date.

The Support Office will collect all reports from EPs and submit them to the European Commission, accompanied by an executive summary.

Content of the reports

The activity report should contain information on obstacles/challenges faced during the reporting period and measures taken to overcome such difficulties, promotional activities carried out and good practises and successes achieved that are transferable. The reports should be **concise and straight to the point**.

The activity report template,[23] which can be found on the intranet 'Document library', should be used for all reports. It must be submitted according to the compliance deadlines mentioned below.

The technical implementation report template is a part of the cycle 3 grant agreements, and is attached as Annex III.

Schedule of submission deadlines for IOs involved in the third phase

[23] http://www.erasmus-entrepreneurs.eu/members/library.php?cat=47.

YEAR	SUBMISSION DATES CYCLE 3		
	IOs	EPs	SO
2011 2012	8 August 7 February 8 August	15 August 14 February 13 August	26 August 25 February 27 August

YEAR	SUBMISSION DATES CYCLE 4		
	IOs	EPs	SO
2012 2013	8 November 7 April 8 November	15 November 14 April 13 November	26 November 25 April 27 November

Please note that it is important that each party respects the above described procedure so that the Support Office can submit reports to the European Commission on time.

<u>Follow-up of reports and adjustments</u>

This structured feedback mechanism allows the European Commission and the Support Office to continuously monitor performance of IOs, follow-up progress made by each EP, and make adjustments if necessary.

4.5.2 Documents to be retained for each relationship

Documents of financial relevance shall be kept according to the requirements of the grant agreement, in particular according to its Article II.14. Special attention shall be paid to receipts and time sheets of staff working on the project.

4.5.3 Final reports

EPs must submit a comprehensive final implementation report to the European Commission, within 3 months after the end date of activity (end of the grant agreement). The report should include work undertaken, obstacles encountered, and make recommendations on how to improve the mobility scheme for NEs in the future. According to Article I.6 of the grant agreement, the report should be submitted in English.

For financial statements, kindly use the template provided by the European Commission on the intranet under section 'Document Library'[24].

The template for the final report is attached to the grant agreement as Annex III. The template is the same for the six-monthly (interim) and final reports. The template for financial

[24] http://www.erasmus-entrepreneurs.eu/members/library.php?cat=87.

statements is included as Annex IV. Use of these templates is compulsory as they are part of the grant agreement.

4.6 Guidance and support

4.6.1 Roles and responsibilities of the Support Office

The role of the Support Office is to:

- Provide deliverables, guidance and assistance to all IOs;
- Coordinate the activities of EPs and cooperate closely with them;
- Ensure cooperation between new and experienced IOs;
- Contribute to the overall coherence and consistency of the work done by IOs;
- Safeguard quality of the programme;
- Ensure quality of work and performance of IOs;
- Raise awareness of the programme across the EU.

In addition to the above mentioned roles, the Support Office is also responsible for organising several Network Meetings per programme cycle. Such meetings usually last 1.5 days and their aim is to gather all IOs to convey up-to-date information on the programme, in order to allow networking and encourage communication, sharing of experience and best practices. **IOs are strongly encouraged to participate in these Network Meetings**.

Network Meetings can be organised in Brussels or in another Member State.

The timetable below indicates the approximate dates and intended location of the Network Meetings for 2011-2012 for cycle 3 grants:

Kick-off Meeting	17 & 18 February 2011, Brussels
Second Network Meeting	June 2011, Brussels
Third Network Meeting	October 2011, Warsaw
Fourth Network Meeting	February — March 2012, tbd
Fifth Network Meeting	September 2012, Cyprus

The timetable below indicates approximate dates and intended location (where possible) of the Network Meetings for 2012-2013 for cycle 4 grants:

First Network Meeting (kick-off)	May 2012
Lead IOs' First Meeting	June 2012
Second Network Meeting	September 2012, Cyprus
Mid-term Review Meetings	November 2012
Third Network Meeting	February 2013
Lead IO's Second Meeting	April/May 2013
Fourth Network Meeting	September/October 2013

How to communicate with the Support Office?

- Helpdesk: IOs can directly contact the Support Office team by phone (+ 357 22875710) or by email (support@erasmus-entrepreneurs.eu).
- Frequently asked questions (FAQs): Up-to-date questions and answers are posted on the intranet (http://www.erasmus-entrepreneurs.eu/members/). All IO staff should consult this regularly updated section before contacting the Support Office.

Sharing information and best practices with other IOs is strongly encouraged. IOs that have created guidelines, tool kits, etc. may send such materials to the Support Office, which will publish them on the intranet.

4.6.2 Roles and responsibilities of the European Commission

The Commission shall bear the overall political and financial responsibility for the programme. It shall manage the grant agreements with the EPs and makes sure that the necessary funds are available. Its other roles are to raise awareness of the programme, to provide guidance and to ensure quality and performance of the programme.

Annex 1

Table of monthly financial assistance paid by IOs to NEs

Monthly financial assistance paid by IOs to NEs	
Country of stay	**Lump sum per month while staying in the respective country (travel included)**
Belgium	€ 830
Bulgaria	€ 560
Czech Republic	€ 610
Denmark	€ 1100
Germany	€ 830
Estonia	€ 670
Ireland	€ 1000
Greece	€ 780
Spain	€ 830
France	€ 900
Italy	€ 900
Cyprus	€ 780
Latvia	€ 610
Lithuania	€ 560
Luxembourg	€ 830
Hungary	€ 670
Malta	€ 720
Netherlands	€ 830
Austria	€ 900
Poland	€ 610
Portugal	€ 780
Romania	€ 560
Slovenia	€ 720
Slovakia	€ 610
Finland	€ 950
Sweden	€ 950
United Kingdom	€ 1000

Erasmus for Young Entrepreneurs

Annex 2

Table of entities eligible for the programme

Specific type of businesses	Eligibility	Explanations
Family business	Yes	A family member, who has taken over the family business or who is planning to do so, may participate in the programme. Even though the business may have existed for more than 3 years, the new entrepreneur wasn't heading the family business per se, and is thus eligible for the programme as long as he/she meets the other eligibility criteria set by the programme. This falls in line with the Small Business Act for Europe, which considers Erasmus for Young Entrepreneurs as a key opportunity 'to create an environment within which entrepreneurs and family businesses can thrive and entrepreneurship is rewarded'.
Business transfers	Yes if it is the first experience as NE	Entrepreneurs that likewise take over an existing business are eligible to participate as NEs, provided that it is their first experience as an entrepreneur. The time the person has been an entrepreneur is to be considered, rather than the time of existence of the business.
Professionals and consultants	Yes	According to the EU's SME definition, self-employed people are in principle considered to be an SME. Independent professionals can participate in the programme provided that the eligible criteria for NE or HE are fulfilled.
Cooperatives	Yes if NE/HE manages the cooperative	Founders of a cooperative may be considered as NEs if they are going to manage the cooperative and fulfil all criteria of NE definition. Only experienced managers of the cooperative can become HEs.
Associations	Yes on two conditions	According to the European definition of an SME, an association is considered as an SME provided that: • The association is regularly engaged in an economic activity*; • Meets the other requirements of the SME definition (less than 250 employees and turnover/balance sheet limits. An entrepreneur managing an association which meets the above two criteria is eligible to participate in the programme as an HE or NE. *'Regularly involved in an economic activity' means that the association should have regular, ongoing operations that require carrying out of all or most functions that comprise management of a company (planning, financing, sales/marketing, some form of operations). If the association operates for only a part of the year or has no full-time employed staff then it would not fulfil this criterion. Note: training activities are considered as economic (even if not commercial). Therefore, training organisations or centres are eligible.
Incubators	Yes	Entrepreneurs running an incubator can participate in the programme. However, they must fulfil all criteria for HE or NE definition.
Franchise	Yes but not with the same franchise family	Franchise entrepreneurs are considered as entrepreneurs and covered by the EU's SME definition. However, IOs must be careful when assessing such applications and doing the matching. If they create relationships between a franchisor and a franchisee that come from the same 'franchising family', then such a relationship is certainly a borderline case since there is a state of dependence between the franchisor and the franchisee. It is in the nature of things that the franchisor may not be able to transfer the kind of management skills which are required for operating an individual business and will rather focus on internal procedures and guidelines. Therefore, such a mobility activity falls into the category of an internship (usually provided by the franchisor or its local subsidiary, and in most cases paid) and therefore cannot be co-financed by Erasmus for Young Entrepreneurs. That is why the European Commission recommends that IOs should not

		exclude franchises but be vigilant and prevent the programme from becoming a tool that allows franchisors to sell their branding and offer training to their future franchisees with support from the European Commission. However, you may for example propose a franchisee (in a country that is not the NEs residence country) operating in a similar field to act as an HE.
NGOs/non-profit organisations	Yes if fulfilling two conditions	NGOs are in principle covered by the EU's SME definition. Entrepreneurs running NGOs, non-profit organisations, foundations, cooperatives, etc. can participate in the Erasmus for Young Entrepreneurs exchange programme provided that they fulfil the following conditions: 1. They are 'regularly engaged in an economic activity'*. 2. The mobility project in which such bodies are involved within the framework of Erasmus for Young Entrepreneurs must show significant elements of entrepreneurship. *'Regularly engaged in an economic activity' means that the host entrepreneur's enterprise should have regular, ongoing operations that require the performance of all or most of the management functions of a company (planning, financing, sales/marketing), and some form of operations (which might be for example sales/marketing if that is the core of the business, etc.). If the organisation operates for only a part of the year or has no full-time employed staff then it would not fulfil this criterion.
SMEs part of a multinational group	No	Being part of a multinational group of companies generally disqualifies the entrepreneur from becoming an HE, as the SME definition requires that the SME is not controlled by a non-SME company. Even though the manager is running a small business, his considerations might be influenced by the corporate owners, which is normally of little help to a new entrepreneur starting his independent business.
Chamber of Commerce and Industries (not acting as IO)	Yes but not recommended	If the Chamber of Commerce fulfils the criteria set out in the SME definition and is operating under private law, then the Chamber would be eligible to become an HE. However, we strongly recommend reflecting whether a stay at a Chamber of Commerce — given the scope of such an organisation — can fulfil the expectations of the NE and allow the NE to acquire essential entrepreneurial skills.
Job on the side	Yes if fulfilling two conditions	The entrepreneur running a business for more than 3 years as a job on the side is eligible as an NE provided that: 1. He/she is willing to make such side activity a full-time employment (i.e. he/she is about to quit his/her job and dedicate only to this company); 2. There is a substantial difference in the way the activity is carried out. If the NE just goes from part-time to full time and, apart from doubling the number of clients and doubling the revenue, there is no real change; this would be too little to justify the need for an Erasmus for Young Entrepreneur learning experience. There needs to be a qualitatively new ambition. The responsible IO has the task to assess that it is the case.

Annex 3

List of existing promotional material and recommended communication methods

Intranet (Members only section of the public website)	IOs have access to an interactive online forum that enables the sharing of information, best practises, and issues as well as searching for extra consortium cooperation. The online forum is an excellent opportunity to be proactive.
Labels & certificates for NEs/HEs	Certificates and labels have been developed to certify and reward NEs/HEs' participation in the programme. Such labels officially recognise HEs' key role and valuable contribution in supporting and mentoring an NE from another EU country. Three labels exist related to three different levels of participation. They should motivate HEs by enhancing visibility of their businesses.
Leaflet/ User Guide	Leaflets are available in 21 languages. Such communication material is highly recommended as it can be circulated electronically and easily handed out to NEs/HEs during meetings. The User Guide provides detailed information of the programme to potential candidates.
Letters/mailing/phone calls/visits	Use the programme template letter to write invitations to NEs/HEs and send them electronically. This is the less expensive promotional tool available. Direct contacts with potential NEs/HEs through phone calls and visits remain the most effective way of recruiting them.
Logo	The logo is a part of the brand identity of the programme and plays an important role in the promotion strategy as it gives the first impression of the programme. The logo is available in 21 languages (via the intranet).
Media kit containing the following documents: – **Press release template;** – **Fact sheet;** – **Tips & tricks on how to deal with the press;** – **Press dossier EN;** – **Press dossier FR;** – **Latest statistics.**	A press release is a formal announcement of an important news item, etc. to the press (e.g. official launch of the programme, accomplishment of successful relationships). It is important to address the right media to get press coverage. Factsheet: a one-page document containing key information on the programme. Tips & tricks: this guide provides information on how to deal with the press. Press dossier: it contains detailed information about the programme for journalists.
Newsletters	Use your own newsletters to announce the programme and to promote successful relationships by including interviews or quotes of NEs/HEs. The Support Office sends an e-newsletter every month to inform IOs about the latest developments of the programme and to present good practices.
Press articles	Every opportunity should be taken to get articles about the programme published. This will contribute to increasing its reputation. Make sure that your articles/press releases are posted on your website and send a copy of the relevant publications to the Support Office for publication on the programme website.
Promotional pack (posters/ stickers/pens/folders/note pads)	Each IO receives a set of printed promotional material at the beginning of the project. Use this material during your events.

Roll-up stand	You can borrow a roll-up stand from the Commission for your events or the fairs you participate in.
Press breakfasts/conferences	Press breakfasts or conferences can be organised at local or national level to launch the programme in your region or announce successful relationships and get visibility in the media. Such events can be used to award labels and certificates to HEs and NEs.
Press/Radio/TV interview	Press and radio interviews increase programme credibility and enhance visibility of HEs & NEs' in the media. This method is highly appreciated by HEs as it can draw attention to their companies.
Award ceremonies	Award ceremonies can be organised to bring together all NEs and HEs from your region in order to distribute certificates. These will raise the profile of both the IO and the Alumni Network.
Programme website (www.erasmus-entrepreneurs.eu)	The Erasmus for Young Entrepreneurs website represents the most effective communication tool.
Programme presentations/info days	Presenting the programme to NEs/HEs during meetings is an excellent opportunity for recruitment as you are in direct contact with them. Use this channel to motivate and convince them to participate in the programme.
Promotional videos of the programme	A video clip and 7 interviews of HEs and NEs in 4 languages (EN, FR, IT, ES) are at your disposal on the EUROCHAMBRES ftp. They were filmed during the April conference on the future of the programme in Brussels and can be used in your promotional activities. To access the EUROCHAMBRES ftp, please go to ftp://ftp.eurochambres.eu (Username: eyepromo; Password: ErasmusPromo). The files cannot be opened directly from the ftp. You need to copy them on your desktop and then open them. A new promotional video of the programme presents 3 success stories. The full version and the individual exchanges are available for web streaming in nine languages: EN, FR, DE, PL, CZ, ES, FR, HU, IT, SV. The full version is also available in DVD format. Other language versions including new success stories will be available soon.
Quarterly activity reports	Each EP has to provide quarterly reports on activities carried out within its consortium during the last three months. Reporting generally provides relevant information. IOs who developed useful documents (e.g. guidelines, methods, toolkits for NEs) might want to share them with other IOs. If so, ask the Support Office to upload them in the intranet of the programme.
Success stories	Use success stories to boost media attention. The public likes hearing about concrete human experiences to which they can relate to and journalists are looking for interesting real-life stories.
Web based campaign	Invite your successful NEs/HEs to register with the Erasmus for Young Entrepreneurs groups on LinkedIn and Facebook and raise programme awareness among business professional networks.
Workshops	Workshops are small interactive events held to achieve a specific objective. A workshop could be used to get feedback from NEs/HEs. Use this tool to introduce the programme and convince NEs/HEs to register in the programme.

Annex 4

List of useful websites, links and documents

Websites

Programme website: www.erasmus-entrepreneurs.eu
Members only (intranet for IOs): http://www.erasmus-entrepreneurs.eu/members/
IT Management Tool: https://webgate.ec.europa.eu/erasmusentrepreneurs/index.cfm
DG Enterprise and Industry: http://ec.europa.eu/enterprise/index_en.htm

Documents

Directory of Intermediary Organisations involved in cycles 2 and 3: http://www.erasmus-entrepreneurs.eu/members/upload/10-07-15_Directory_2010-2011_4c514d911bdbb.pdf

Programme guide for new and host entrepreneurs:
ENGLISH: http://www.erasmus-entrepreneurs.eu/upload/ERASMUS-GUIDE_EN.pdf
FRENCH: http://www.erasmus-entrepreneurs.eu/upload/10-05-21_UsersGuide_FR.pdf
GERMAN: http://www.erasmus-entrepreneurs.eu/upload/09-08-06_UsersGuide_DE.pdf

HE Feedback questionnaire: http://www.erasmus-entrepreneurs.eu/members/upload/HE_survey_4c72a982625cc.pdf

NE Feedback questionnaire: http://www.erasmus-entrepreneurs.eu/members/upload/NE_survey_4c72a98a8fbb9.pdf

IT user manual for Intermediary Organisations:
https://webgate.ec.europa.eu/erasmusentrepreneurs/images/Erasmus%20IT%20Management%20Tool%20User%20Manual%20-%20for%20IOs.pdf

IT user manual for host and new entrepreneurs: http://www.erasmus-entrepreneurs.eu/members/upload/09-03-12_Erasmus_IT_Management_Tool_User_Manual_-

Erasmus for Young Entrepreneurs

Where can I find more information?

Further information can be obtained from:

Erasmus for Young Entrepreneurs Support Office
c/o First Elements Euroconsultants Ltd
10 Gregoriou Xenopoulou Street
1st floor
CY 1061 Nicosia
Tel: + 357 22875710
www.firstelements.com.cy

Email: **support@erasmus-entrepreneurs.eu**

Erasmus for Young Entrepreneurs

An initiative from the European Union