



**European
Commission**

Executive Agency for
Small and Medium-sized Enterprises

Guide for Applicants

COSME Work Programme 2014

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I. Introduction

The Executive Agency for Small and Medium-sized Enterprises (EASME) manages EU programmes and initiatives on behalf of the European Commission. It implements part of the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) programme, in particular calls for proposals included in the yearly work programme.

The COSME Work programme 2014 is available at:

http://ec.europa.eu/enterprise/contracts-grants/calls-for-proposals/about-our-grants/index_en.htm

This Guide for Applicants contains information aimed at guiding potential beneficiaries through the mechanics of preparing and submitting a proposal. It provides guidance on how to complete and submit a proposal from the content point of view, and to prepare the estimated budget.

This Guide is based on the rules and conditions of the COSME programme, the COSME work programme 2014 and the derived calls for proposals. The Guide does not in itself have legal value and does not supersede those documents.

II. Preparation of the proposal

II.1. Relevant documents

COSME grant opportunities are published in the website of DG ENTR¹. With the exception of ad-hoc grants, COSME calls are also published in a dedicated section of the Research and Innovation Participant Portal (the Participant Portal).

<http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/cosme/index.html>

The main documents relevant to any COSME call are the following:

- Call for proposals
- Guide for applicants
- Model grant agreement

These documents are made available in the dedicated part of the Participant Portal under the heading "Call documents".

¹ http://ec.europa.eu/enterprise/contracts-grants/calls-for-proposals/index_en.htm

II.2. Participants

The call text sets out the possibilities and requirements in terms of the number of potential beneficiaries of the grant covered by the call. Two types of grants may be distinguished with regards to the number of beneficiaries of the action:

- Mono-beneficiary grants: The grant agreement is signed between the Agency and one beneficiary entirely responsible for the implementation of the action.
- Multi-beneficiary grants: The grant agreement is signed between the Agency and a consortium of multiple beneficiaries led by a consortium coordinator. The consortium is responsible for the implementation of the action.

Two types of beneficiaries may be found in COSME actions: “consortium coordinator” and “consortium partners”. In addition, the call text allows the participation of “affiliated entities” in the consortium.

II.2.1. Consortium coordinator

In case of a proposal submitted by a single applicant (mono-beneficiary grant), the coordinator is the sole entity to fill in the forms and in the event the proposal is accepted, the coordinator will be the sole beneficiary of the grant and the sole responsible for its proper execution.

In case of a multi-beneficiary grant, the lead organisation is the coordinator of a consortium established between several applicants (consortium partners) submitting a joint proposal. The lead applicant is the intermediary for all communication between the co-beneficiaries and the EASME and responsible for supplying all documents and information to the EASME.

II.2.2. Consortium partners

If provided for in the call for proposals, applicants may act in a consortium, submitting a joint proposal. Each co-applicant (consortium partner) will be considered as co-beneficiary if the proposal is awarded a grant.

The coordinator and the partners of a consortium shall agree upon appropriate arrangements between themselves for the proper performance of the action.

If a grant is awarded, consortium partners would forward to the coordinator the data needed to draw up the report, the financial statements and other documentation required by the grant agreement. They shall immediately inform the coordinator of any event liable to substantially affect or delay the implementation of the action.

Entities affiliated to the beneficiary in compliance with article 122 of the Financial Regulation (EU, Euratom) No 966/2012, may take part in the action and may declare eligible costs.

Each participant organisation shall indicate its affiliated entities taking part in the proposal (section 2.2. of the Description of Work). Each affiliated entity has to comply with the eligibility and exclusion criteria defined in the call.

II.3. Registration and validation of participants

Before being able to apply to any COSME call for proposals, all beneficiaries (coordinator and partners) have to be registered in the Commission Beneficiary Register.

<http://ec.europa.eu/research/participants/portal/desktop/en/organisations/register.html>

COSME shares with the Horizon 2020 programme (H2020) a common procedure for the registration of potential applicants. The procedure is based on the assignation of a unique Participant Identification Code (PIC) to each organisation wishing to participate in H2020 or COSME actions.

The PIC is a unique 9 digit number that makes it possible for the Commission to identify a participant. It is used in all grant-related interactions between the participant and the Commission.

Any organisation that has participated in a proposal under the 7th Framework Programme for Research and Development or in a call of DG Enterprise launched since 2012 is likely to have already received a valid PIC.

The Participant Portal offers the possibility to applicants to check whether a PIC has been assigned to their organisation.

<http://ec.europa.eu/research/participants/portal> ('My Organisations' tab).

If a PIC is not yet available for an organisation, applicants shall register their organisation in the Participant Portal.

<http://ec.europa.eu/research/participants/portal>

Once the Commission has validated the documents submitted by the applicant the temporary PIC becomes final. However, it should be stressed that any organisation in possession of a temporary PIC is allowed to submit proposals in response to COSME and H2020 calls. The final PIC would be obtained in a later stage.

Further information on the registration and validation procedure can be found the H2020 Online Manual.

<http://ec.europa.eu/research/participants/portal/desktop/en/funding/index.html>

The H2020 Online Manual offers:

- an overview of all steps applicants need to know for the electronic management of proposals or grants;
- easy navigation by process steps;
- a brief descriptions on how to complete the tasks;
- links and references to:
 - Guidance notes, templates
 - User manuals of the relevant tools
 - Frequently asked questions

III. Proposal Submission

Proposals must be submitted electronically, using the Submission and Evaluation of Proposals programme (SEP). Proposals arriving at the EASME by any other means are regarded as not submitted, and will not be evaluated.

A link to the submission platform is made available in the dedicated part of the Participant Portal under the heading "Submission Service".

Where a proposal is submitted by several applicants, a lead applicant (the coordinator) has to be designated. A group of applicants, submitting a joint proposal is referred to as a consortium. The coordinator submits the application on behalf of all applicants.

The electronic submission set comprises two parts:

- **Administrative Forms** to be completed on line in SEP
- **Part B and Annexes** to be uploaded (in pdf format) by the coordinator

The **Administrative Forms** contain the proposals' general information (title, summary, name of participants and budget overview) and the participants' administrative data (e.g. organisation's name, legal status, contact information). This information will be encoded in a structured database for further processing to produce, for example, statistics or evaluation reports. This information will also support the EASME staff during the evaluation process.

Part B and Annexes contains the substantive part of the proposal. The set of documents included in this section is specific to each call but it will contain at least the Description of Work (Technical Annex 1) and the detailed budget (Technical Annex 2).

Editable templates of all the specific documents contained in Part B can be downloaded from the submission platform. Only the documents indicated in the submission platform should be uploaded. Unless specified in the call (e.g. applicants may be asked to upload the CVs of the persons delivering the action as Annexes), any hyperlinks to other documents, embedded material, and any other documents (company brochures, supporting documentation, reports, audio, video, multimedia etc.) sent electronically or by post, will be disregarded.

Once the documents have been duly completed by the consortium partners, the coordinator is requested to upload the final proposal to the submission platform. The final documents should be converted (not scanned) into pdf format.

A maximum length may be specified for the different sections of Part B, or for Part B as a whole. Applicants must keep their proposals within these limits. Where no page limits are given, or where limits are only recommended, it is in the interest of applicants to keep the text concise to ease the reading of evaluators.

The proposal may be submitted in any of the official languages of the European Union. If the submitted proposal is not in English, a translation of the full proposal would be of assistance to the evaluators. An English translation of the abstract shall be included in Part B of the proposal.

The Proposal Submission Service User Manual can be found at:

http://ec.europa.eu/research/participants/data/support/sep_usermanual.pdf#nameddest=editfor ms

Proposals must be submitted before the deadline specified in the Call for proposals. It is the responsibility of applicants to ensure the timely submission of the proposal. SEP will be automatically closed at the call deadline.

Errors discovered in proposals submitted to SEP can be rectified by simply submitting a corrected version. For as long as the call is open, the new submission will overwrite the previous one. Once the deadline has passed, however, the EASME can accept no further additions, corrections or re-submissions. The last version of your proposal received before the deadline is the one which will be evaluated, and no later material can be submitted.

Proposals should be registered with the correct call. If registered with another call by mistake, the proposal will be regarded as not submitted.

Applicants may withdraw a proposal before the deadline by clicking the withdraw proposal button.

III.1. Description of Work (DoW)

The description of the action should be provided using a standard template which can be downloaded in the dedicated part of the submission platform (Technical Annex 1). The structure of the DoW is the following:

III.1.1. Section 1: Objectives of the action and implementation strategy

In this section, applicants are requested to describe the specific objectives of the project, which shall be consistent with the objectives of the call for proposals. The specific objectives of the project should be clear, realistic and measurable through a set of performance indicators (see section 1.4).

In this section, applicants shall also describe what the target audience of the action is, and which tools and methodologies will be used by the beneficiaries to reach the proposed target group.

Finally, applicants shall propose (if not pre-defined by the call text) a set of performance indicators to measure the impact and success of the action. Those indicators must be quantifiable. Applicants shall define a “target” for each performance indicator which should be achieved by the end of the project’s implementation.

III.1.2. Section 2: Management structure and procedures

In this section applicants shall first list the organisations taking part in the action. Applicants shall explain in particular how the profile of the proposed participant(s) is aligned with the objectives of the call.

Applicants shall also demonstrate in this section the managerial capacities of the consortium. Elements such as the consortium organisational structure, the decision-making process and the existence of externalities which may hamper the implementation of the action shall be described in detail.

Finally, a list of Milestones functioning as “control points” during the implementation of the project shall be provided (see Section 2.3).

III.1.3. Section 3: Work plan – Work packages and deliverables

As a general rule, COSME calls are structured into pre-defined Work Packages (WP). A WP is a building block of the work breakdown structure that allows the project management to define the steps necessary for completion of the action.

For each WP, applicants are requested to describe:

- The specific objectives which shall be achieved by the completion of the WP.
- The specific tasks and activities which shall be implemented by the participants

- The list of beneficiaries (coordinator and partners) implementing the WP (including their role and main tasks)
- The necessity of subcontracting any of the tasks (including a brief explanation on how the selection of the subcontractor shall be performed)
- The indicators used to measure the performance of the beneficiaries
- The deliverables associated to the implementation of the WP.

III.2. Budget

The Administrative Forms in the submission platform contain the budget overview which should be filled in online by the applicants.

III.2.1. Budget Overview

The Budget Overview breaks down the estimated budget of the proposal per participant according to the following categories:

- (A) Direct personnel costs;
- (B) Other direct costs;
- (C) Direct costs of subcontracting;
- (D) Indirect costs (calculated automatically as 7% of A+B+C);
- (F) Total estimated eligible costs (calculated automatically as A+B+C+D)
- (G) Maximum reimbursement rate (blocked cells, pre-defined for each call)
- (H) Maximum grant (calculated automatically as F*G)
- (I) Requested grant
- (J) Applicants contribution
- (K) External resources
- (L) Income from the project
- (M) Total revenue (calculated automatically as I+J+K+L)

Applicants shall ensure that the total estimated eligible cost of the project (F) is equal to the total revenue (M).

III.2.2. Detailed budget (Technical Annex 2)

The estimated budget of the project should be further detailed using a standard template which can be downloaded in Part B of the submission platform (Technical Annex 2). This section addresses the steps applicants need to follow when filling in Technical Annex 2.

a) Proposal Cover Sheet

Applicants shall fill in the project's name (full title) and its acronym. Standard Latin alphabet and numbers, spaces or underscore shall be used. Any other special characters or symbols shall be avoided.

b) Tables 1 and 2 Expenditures and Revenues

Table 1 breaks down the estimated expenditure of the project per participant and type of cost. The information in this table is taken automatically from the data of the participants through protected links.

Table 2 summarises the estimated revenues of the project; including the EU grant requested, the participants' own contribution, any financial contribution made by third parties, and any income generated by the project. All amounts in these forms should be given to the nearest whole Euro (no decimals!).

Applicants shall ensure that the total estimated eligible costs are equal to the total revenue of the project.

Applicants shall also ensure that the information in these two tables is entirely consistent with the information contained in the budget overview (see section III.2.1 of this Guide)

c) Participants Budget

These worksheets gather all financial data of an individual participant. They need to be filled in for each participant (including the co-ordinator). All amounts in these forms should be given to the nearest whole Euro (no decimals!).

IV. General rules on the budget of the action

The budget must cover all eligible costs of the project. The description of all items must be sufficiently detailed and all items broken down into their main components. The number of units and unit rate must be specified for each component on the basis of the indications provided.

The forward budget must:

- show all the costs and revenue that the applicants considers necessary to carry out the project.
- give an indication on the different types of human resources and their related costs (technical, administrative, etc.);
- be sufficiently detailed to allow identification, monitoring and control of the operation(s) proposed;
- be in balance, i.e. total revenue and total expenditure must be equal

The EASME reserves the right not to consider unexplained costs items in the amount granted.

Amounts must be in **Euro** with no decimals.

Applicant organisations in countries where the Euro is not the national currency are asked to use the official EU exchange rates that can be found on the following website:

<http://ec.europa.eu/budget/inforeuro/index.cfm?fuseaction=countries&Language=en>

During the execution of the grant agreement, costs which have been incurred in other currencies than the Euro shall be converted according to the provisions of the grant agreement.

IV.1. Eligible Costs

Eligible costs are costs actually incurred by the beneficiary of a grant which meet all the following criteria:

- they are incurred during the duration of the action , with the exception of costs relating to final reports and audit certificates;

The period of eligibility of costs will start as specified in the grant agreement.

If a beneficiary can demonstrate the need to start the action before the agreement is signed, expenditure may be authorised before the grant is awarded. Under no circumstances can the eligibility period start before the date of submission of the grant application.

- they are indicated in the estimated budget of the action;
- they are necessary for the implementation of the action which is the subject of the grant;
- they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost accounting practices of the beneficiary;
- they comply with the requirements of applicable tax and social legislation;
- they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

The beneficiary's internal accounting and auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the action/project with the corresponding accounting statements and supporting documents.

IV.1.1. Eligible Direct Costs

The eligible direct costs for the action are those costs which, **with due regard for the conditions of eligibility set out above**, are identifiable as specific costs directly linked to the performance of the action and which can therefore be booked to it directly. The full list of eligible direct costs can be found in the text of the call.

Applicants are reminded that article 10 of the Model Grant Agreement published together with each call contains the rules that beneficiaries shall respect when purchasing services to subcontractors.

IV.1.2. Eligible Indirect Costs

A flat-rate amount of 7% of the total eligible direct costs of the action is eligible under indirect costs, representing the beneficiary's general administrative costs which can be regarded as chargeable to the action/project.

Indirect costs may not include costs entered under another budget heading.

Applicants' attention is drawn to the fact that in the case of organisations receiving an operating grant, indirect costs are not eligible under specific actions.

IV.2. Non Eligible Costs

- return on capital;
- debt and debt service charges;
- provisions for losses or debts;
- interest owed;
- doubtful debts;
- exchange losses;
- any bank costs charged by the bank of a beneficiary on the transfers from the Agency;
- costs declared by a beneficiary and covered by another action receiving a European Union grant. In particular, indirect costs shall not be eligible under a grant for an action awarded to a beneficiary who already receives an operating grant financed from the Union budget during the period in question;
- contributions in kind;
- excessive or reckless expenditure;
- any costs incurred during a suspension of the action
- others (in accordance with the relevant legal base).

V. Evaluation of Proposals

The brief electronic message given by the SEP system after each submission is simply an acknowledgement of receipt. This message does not imply that a proposal has been considered admissible or accepted as eligible for evaluation.

All applications will be examined and assessed by an evaluation committee. The assessment of each proposal will be based on the information provided by the applicants in the proposal submitted in reply to the call for proposals. In addition, the EASME reserves the right to use any other information from public or specialist sources.

The information will be assessed in light of the eligibility, selection and award criteria set out in the call for proposals.

The evaluation committee may ask an applicant to provide additional information or to clarify the supporting document submitted in connection with the application, in particular in the case of evident material errors.

At the end of the evaluation, proposals will be:

- Proposed for award, in order of ranking, based on the score obtained after evaluation, and indicating the proposed amount to be awarded,
- Rejected, stating the reasons for rejection.

The EASME can decide to draw a reserve list composed of rejected proposals which have obtained a score above the thresholds mentioned in the evaluation criteria form in order of ranking.

After the completion of the evaluation, applicants will be informed in writing about the results of the evaluation.

VI. Award

The EASME may decide to request applicants, whose proposals have been recommended for award by the evaluation committee, to make certain limited adaptations to their proposal. In that case, applicants will receive a letter setting out the requested modifications which must stay within the limits of the request. This phase will not lead to a re-evaluation of the proposals. However, a proposal might be rejected if the applicant refuses to ensure a positive follow-up to the request.

On the basis of a recommendation to award of the evaluation committee, a positive outcome of the suggested modifications to the proposal and a verification of additional documentation requested, the grant is awarded and the agreement signed.

A decision to reject an application can be based on the following grounds:

- the application was submitted after the closing date;
- the application is incomplete or otherwise non-compliant with the stated administrative conditions or in any other way does not comply with the eligibility criteria as set out the call for proposals;
- the applicant or one or more participants are ineligible;
- the technical capacity is considered insufficient;
- the financial capacity is considered insufficient;
- the proposal has not reached the minimum scores as indicated in the award criteria detailed in the call for proposals.
- the score obtained by the proposal is not ranked amongst the best proposals considered for the award.

The EASME 's decision to reject an application is final.

Proposals included in a reserve list are to be considered as rejected. Should the EASME decide to award a grant to any of the proposals placed on the reserve list, the applicants will be informed. The reserve list will expire six months after the notification of the results of the call. After that date, proposals on the reserve list will be considered definitively rejected.

The reserve list will be used in case the beneficiaries for which a project has been retained for funding decline to sign the grant agreement.

Annex - Checklist

Please use the following questionnaire to help you present a complete proposal.

Be as precise as possible. Incomplete proposals run the risk of being ineligible.

This checklist and the questions below will help you submitting a complete proposal. It is not to be uploaded in SEP, nor to be submitted otherwise.

TIME TABLE			
	Yes/No		Answer
My proposal respects the scheduled start date :		Start date of proposal:	
My proposal respects the maximum duration of the action		Duration of the action:	
FINANCING			
My budgetary proposal respects the maximum EU co-financing rate in %		My proposed EU co-financing rate in% is:	
My budgetary proposal respects the maximum EU co-financing ceiling in €		My proposed EU co-financing in € is:	
I have duly filled in the budgetary form (Annex B2) providing the sources of co-financing		My co-financing amounts to – in €:	
I have duly filled in the budgetary form (Annex B2) for all costs		My costs amount to – in €:	
I have duly filled in the budgetary form Annex B1a for staff costs		My costs relating to staff amount to – in €:	
I have duly filled in the budgetary form (Annex B2) for subcontracting costs		My costs relating to subcontracting amount to – in €:	
ELIGIBILITY			
My proposal respects geographical conditions for eligibility		Partners of my proposal are legally established in the following countries:	
My proposal respects the legal status criteria for applicants		My proposal involves the following co-applicants and affiliated entities:	
Neither I nor my co-applicants or affiliated entities are in any of the exclusion situations (art. 106/107 FR)			
My proposal corresponds to the definition of the target organisation (in accordance with the call for proposals)		My organisation is/my partner organisations are: (explain how they correspond to the target organisation)	
My proposal is strictly non-profit-making			
SELECTION			

I, my partners and (where appropriate) my affiliates have the required economic and financial capacity			
I (and partners) have the required operational capacity			

Of importance for the consortium in general, but in particular for the coordinator:

Preparing your proposal

- Does your planned work fit with the call for proposals? Check that your proposed work does indeed address the topics open in this call.
- Is your proposal complete? Proposals must comprise a Part A, containing the administrative information including participant and project cost details on standard forms; and a Part B. A proposal that does not contain both parts will be considered ineligible and will not be evaluated.
- Does your proposal follow the required structure? Proposals should be precise and concise, and must follow exactly the proposal structure described in this document, which is designed to correspond to the evaluation criteria which will be applied. This structure varies for different funding schemes. Omitting requested information will almost certainly lead to lower scores and possible rejection.
- Have you maximised your chances? There will be strong competition. Therefore, edit your proposal tightly, strengthen or eliminate weak points. Put yourself in the place of an expert evaluator; refer to the evaluation criteria indicated in the call text. Arrange for your draft to be evaluated by experienced colleagues; use their advice to improve it before submission.

Final checks before submission

- Do you have the agreement of all the members of the consortium to submit this proposal on their behalf?
- Check once more the eligibility criteria mentioned in the call! This includes any budget limits. Remember – the information given in part A is considered definitive.
- Is your Part B in portable document format (PDF) ?
- Is the filename made up of the letters A to Z, and numbers 0 to 9? You should avoid special characters and spaces.
- Double check that you respect the font size and the page limitations for the different chapters!
- Have you virus-checked your computer? The SEP will automatically block the submission of any file containing a virus.
- Have you made yourself familiar with the SEP in good time?
- Have you allowed time to submit a first version of your proposal well in advance of the deadline (at least several days before), and then to continue to improve it with regular resubmissions?
- Have you completed the submission process for your latest version?

Following submission

- Information submitted to the SEP remains encrypted until the deadline and can only be viewed by the applicant.
- It is strongly recommended that you check that all your material has been successfully uploaded and submitted, that you have submitted the correct Part B files and that they are readable and printable.
- You can revise and resubmit your proposal at any time up to the call deadline.