CALL FOR PROPOSALS – COS-WP2014-3-15.01

European Destinations of Excellence –
Selection 2014

1. INTRODUCTION – BACKGROUND

Small and medium-sized enterprises (SME)\(^1\) play a crucial role in reaching the objectives of the Europe 2020 Strategy\(^2\). Whereas they are considered as crucial engines for growth and job creation, their competitiveness is affected by a limited exploitation of international opportunities and innovation prospects in the Single Market and beyond.

In this context, the Programme for the competitiveness of enterprises and small and medium-sized enterprises (2014-2020), hereinafter referred to as COSME\(^3\), aims to promote growth and to strengthen the competitiveness and sustainability of enterprises in the European Union.

The contracting authority is the Executive Agency for Small and Medium-sized Enterprises (hereinafter referred to as "EASME").\(^4\) EASME is, inter alia, entrusted by the European Commission with the implementation of parts of the COSME programme and the Horizon 2020 programme.\(^5\)

The present call comes as a continuation of the initiative “European Destinations of Excellence” (EDEN) launched in 2006 by the European Commission. It was seen as a means of initiating a European Union action in support of European tourism which was implemented as a pilot project\(^6\) and a preparatory action\(^7\) in 2007-2011. Since 2011 it has

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\(^5\) See Article 3 of the above-mentioned Commission implementing decision.

\(^6\) Pilot projects are projects of an experimental nature that can be proposed by the Budget Authority for implementation by the Commission to test the feasibility of an action and its usefulness. They are limited to a period of no more than two consecutive years.
been continued under the Entrepreneurship and Innovation Programme (EIP)\textsuperscript{8} and as of 2014 under the COSME programme\textsuperscript{9}.

The overall aim of the initiative is “to draw attention to the value, diversity and shared characteristics of European tourist destinations and to promote destinations where the economic growth objective is pursued in such a way as to ensure the social, cultural and environmental sustainability of tourism”.

The more specific aims of the EDEN initiative are to:

\begin{itemize}
  \item enhance visibility of the emerging European tourist destinations of excellence, especially the lesser known,
  \item create awareness of Europe's tourist diversity and quality,
  \item promote all European countries and regions,
  \item help decongestion, combat seasonality, rebalance the tourist flows towards the non-traditional destinations,
  \item award sustainable forms of tourism,
  \item create a platform for the exchange of good practices at European level,
  \item promote networking between awarded destinations which could persuade other destinations to adopt sustainable tourism development models,
  \item trigger a greater support from national tourism organisations at local level and an increase in private sector investment in the destinations,
  \item prompt a sense of pride of the local community which will lead to addition enthusiasm for further improvement of their sustainable tourism offer.
\end{itemize}

The EDEN initiative is organised through two types of calls for proposals directed to all EU Member States and other countries participating in the COSME programme. The first type of calls for proposals aim at co-financing the eligible costs of the procedures for the selection of the national destinations of excellence and for the organisation of EDEN promotion/awareness raising campaigns.

Selection of the EDEN destinations is based on national competitions that result in the award of one tourist “destination of excellence” and up to 4 runners-up for each participating country. The recipients of the award are emerging, non-traditional and little-known European destinations.

A total of 119 destinations from 26 different countries have been awarded the EDEN prize since 2007, under different annual themes chosen by the European Commission together with the relevant national tourism authorities. To date, the themes have focused on rural tourism (2007), local intangible heritage (2008), protected areas (2009), aquatic tourism (2010), tourism and regeneration of physical sites (2011) and accessible tourism (2013).

The second type of EDEN call for proposals focuses on EDEN promotion and awareness raising campaigns. In 2011 and 2013 calls for proposals were launched to support National Administrations in charge of tourism for the purpose of promoting the EDEN destinations (winners and runners-up of the previous editions) and for enhancing

\textsuperscript{7} Preparatory actions are project initiatives that can be proposed by the Budget Authority for implementation by the Commission to prepare proposals with a view to the adoption of future actions. They are limited to a period of no more than three consecutive years.

\textsuperscript{8} http://ec.europa.eu/cip/documents/work-programmes/index_en.htm

awareness of the EDEN rationale in partnerships. 18 countries\(^{10}\) participated in the first call for proposals and 15 countries participate in the current project\(^{11}\).

**Additional information**

For the implementation of the EDEN initiative, the Commission (and the EASME from 2014) also organise award events at European-level and a number of flanking communication activities (i.e. a dedicated EDEN webportal [http://ec.europa.eu/eden](http://ec.europa.eu/eden), media and online campaigns, production and distribution of audio-visual materials, brochures, information leaflets, participation in tourism fairs, etc.) in order to create awareness of EDEN as a brand of sustainable tourism in Europe’s non-traditional tourist destinations.

Among the different aims of the EDEN initiative, one is to create a platform for the exchange of good practices in the field of sustainable tourism at European level and to promote networking between awarded destinations. Aiming at achieving these objectives, in 2008 the European Commission set-up a European Network of Destinations of Excellence for Sustainable Tourism (hereinafter called “EDEN network”) which comprises all EDEN winning destinations (and as of 2012 all runners-up) of the EDEN project and is a unique network in the field of sustainable tourism worldwide. The members have signed the “Declaration of Brussels” and officially committed themselves to collaborate with each other and guarantee constant exchange of information and knowledge on tourism development. In 2012 the majority of the EDEN Network members established an international non-profit organisation, the EDEN Network Association (AISBL).

More information on the EDEN initiative may be found by following these links: [http://ec.europa.eu/eden](http://ec.europa.eu/eden) and [http://edenpost.org](http://edenpost.org).

**2. OBJECTIVE(S) – THEME(S) – PRIORITIES - ACTIVITIES**

**2.1 General objective**

The objective of the present invitation is to support eligible countries’ National Administrations in charge of tourism, or other public bodies corresponding to the definition set up in point 6 below (hereafter ‘the applicant’) for the selection of one EDEN destination of excellence and up to 4 runners-up.

**2.2 Description of the work**

**2.2.1. The theme**

The Commission selected a theme of excellence for 2014, “Tourism and local gastronomy”, as discussed with the Member States and the Candidate countries, and defined the related general award criteria.

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\(^{10}\) Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Estonia, Spain, France, Croatia, Hungary, Ireland, Italy, Lithuania, Latvia, Malta, Poland, Slovenia and Turkey.

\(^{11}\) Austria, Belgium, Cyprus, Czech Republic, Estonia, Hungary, Ireland, Italy, Lithuania, Latvia, Malta, Poland, Slovenia, Spain and Turkey.
It is proposed to reward those destinations\textsuperscript{12} which have developed a specific tourism offer based on their specific local gastronomy. This offer should have been implemented at least since 2012.

\subsection*{2.2.2. General requirements}

Applicants are requested to design a scheme for an open national competition to select one destination of excellence. Proposals shall indicate the most effective activities and mechanisms to develop and implement the proposed scheme.

Each scheme shall be presented through a comprehensive description of the relevant activities and its methodology (i.e. methods for its implementation and the reasons for the proposed methodology shall be clearly outlined).

\subsection*{2.2.3. Eligible activities}

Applicants are free to propose the activities they consider relevant. However, it is essential that all activities are clearly related to the aim of the invitation to submit a proposal (i.e. the selection of one destination of excellence following an open competition).

As a minimum requirement, the proposal shall describe in detail:

(1) Implementation of the scheme for the selection of one destination of excellence

All activities shall be described in a comprehensive way, in a coherent chronological order by work packages.

(2) Establishment of clear, logical and coherent general and specific award criteria

Applicants shall apply in their proposal the following mandatory general award criteria:

1. Eligible destinations shall be emerging, non-traditional and off-the beaten track,

2. Eligible destinations shall offer authentic tourism experiences (i.e. a sense of place shall be embedded across all activities),

3. Eligible destinations shall have local authorities with a capacity in managing their destination in a way to ensure social, cultural and environmental sustainability (i.e. authorities shall have a system for involving public, private and community stakeholders in planning and decision making),

4. Eligible destinations shall have a management destination organisation that has a capacity in sustainable tourism management (i.e. an effective organisation, board, department, group or committee shall be responsible for a coordinated approach

\textsuperscript{12} For the purpose of the present call, “destination” means:
- A geographic area that is currently or potentially attractive to visitors/tourists,
- The geographic area shall cover (at least) one municipality or more (contiguous) municipalities,
- A place or area which is recognised and can easily be defined as a visitor destination and has a range of facilities and products in place for tourism purposes,
- A place or area which is promoted as a destination,
- A place or area where it is possible to measure the supply of and demand for tourism services i.e. the visitor economy.
to destination marketing and sustainable tourism with involvement of the private and public sector and having a sustainable destination development strategy);

5. Eligible destinations shall have agencies, NGOs or authorities with a capacity in adopting sustainable tourism practices.

In addition, applicants shall propose a set of specific award criteria which will apply to the selection procedure. Specific criteria shall be established at the level of the participating countries to take into account the specific characteristics of their own destinations. These criteria shall be clear, logical and coherent. They can be fine-tuned during the first phase of the project and must take into account the overall aim of the EDEN initiative (see point 1 “Background”).

Examples of specific criteria related to the theme of the present call that could be considered (the list is not exhaustive) are:

- a. tradition of hosting gastronomic festivals, awards, contests and other broadly-targeted means of recognition; vibrant gastronomy community with traditional restaurants and/or chefs;
- b. endogenous ingredients used in traditional cooking;
- c. respect for the environment and promotion of sustainable local products;
- d. local know-how, traditional culinary practices and methods of cooking that have survived industrial/technological advancement;
- e. traditional food markets and traditional food industry; nurturing of public appreciation, promotion of nutrition in educational institutions and inclusion of biodiversity conservation programmes in cooking schools curricula;
- f. integration of local food culture into tourism offering/strategies;
- g. strong reciprocal relationships between local producers and local retail and catering enterprises; community wide engagement with the promotion of local food production and consumption;
- h. availability and accessibility of food related activities and experiences.

(3) Information campaign to potential candidates and guidance during the application process

Applicants shall describe how they will organise an information campaign to disseminate information about an open competition and reach all potential candidate destinations (i.e. direct emails, press releases, web sites, info days, seminars, etc.) and will support them for the submission of the applications (e.g. clear and concise guidelines for potential entrants could be foreseen; help desk activities; etc.). Visibility of the EU support to the project shall be raised (specifying the EU co-funding, using EDEN and EC logo all over the information campaign).

(4) Selection of the winner destination of excellence and of runners up

Organisation of the decision-making process is at the discretion of the applicants provided that the established framework is respected (i.e. theme of excellence and general award criteria). The applicants are however recommended to develop a
final list of general and specific criteria, the parameters to evaluate the applications and the procedure to assess the applications.

The representatives of an impartial evaluation committee shall visit all short-listed destinations to verify their tourism offer and their approach to making destinations more sustainable.

Each applicant shall be able to substantiate its choice of the winning destinations and runners-up via transparent reporting (e.g. minutes of the selection meeting). It is expected that a final ranking of 1 winner and 4 runners-up (maximum) is drawn up.

(5) Organisation of a national awards ceremony

Applicants are invited to describe how they will organise the national Awards ceremony. At least 3 national journalists and the European Commission Representation/Delegation shall be invited to participate in the event in order to raise the visibility of the project in the participating country.

(6) Organisation of a national network of the destinations of excellence

Applicants shall describe how they will facilitate network activities of the winning destination and the runners-up respecting the award criteria, and which kind of support will be provided to the national network.

(7) Submission of a “Dossier on the winner destination” and “Dossiers on the runners up”

At the end of the selection, applicants shall submit a dossier on the selected destination of excellence and dossiers on the 4 runners-up (maximum) to the Commission. Each of the dossiers must be concise (maximum 10 pages) and follow the template provided in Annex 2.

All of these above-mentioned requirements must be clearly taken into consideration.

The following activities, even if they might be important in the light of the project, would not be relevant to the aim of the invitation to submit a proposal: rewarding the selected destinations with a money prize or recruiting a consultant to assist the selected destinations to improve their marketing strategies at the end of the process. In general, all activities of follow up (apart from those linked to the activities of the national network of selected destinations if performed during the 10 month period of the contract), despite of their value, are not to be considered in the proposal (at least with regard to eligible costs) as they are not related to the aim of selecting the destination of excellence and promoting the EDEN initiative. This means their cost will not be eligible for co-financing.

2.2.4. Deliverables

The expected deliverables of the project are:

- the selection of one destination of excellence and runners-up
- a “Dossier on the winner destination” presenting in English the selected destination and “Dossiers on the runners-up” presenting those destinations.
In these dossiers, the applicant shall describe the selected destinations and the reasons for their nomination.

The dossiers of all selected destinations of excellence and of all runners-up will be assembled together by the EASME for dissemination. The length of each of them shall be of about 10 pages (A4 size). The dossiers shall mainly focus on the following information: presentation of the destination in a marketing perspective and description of the initiative(s) undertaken which justifies its nomination. It is important that their initiatives are presented in a way to underline why they have been considered as a good practice in the field of sustainable tourism.

In order to facilitate and speed up this work, applicants are requested to submit a reader-friendly document in English, presented according to the following scheme:

- foreword message of the management of the destination;
- description of the destination in a marketing perspective;
- description of actions which justify the nomination;
- information about the destination’s management organisation;
- annual visitors numbers and basic structure of the tourism offer.

A detailed template of the final dossier is provided in Annex 2.

The dossiers must be forwarded in two paper copies as well as on CD ROM or USB stick (document in word format) with a view to ensuring the availability of the content by electronic communication means.

Promotional material on the selected destination and the runners-up (brochures, leaflet, etc.), high resolution photos and other images (for ex. logo of the project if existent) shall be inserted in the paper dossier and in the CD ROM and shall not be included directly in the text of the dossier.

All those documents and images might be published on the EDEN web portal and used for all other communication activities. Therefore they must be of high quality: it is recommended that the image size is 2480 x 3508 pixel or 210 x 279 mm. Pictures must have a resolution of not less than 250 dpi. Photos must be free of copyrights.

3. **Timetable**

3.1 *Indicative timetable*

<table>
<thead>
<tr>
<th>Stages</th>
<th>Indicative date and time or period</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Publication of the call</td>
<td>29 April 2014</td>
</tr>
<tr>
<td>b) Deadline for submitting applications</td>
<td>24 June 2014 – 17.00 Brussels' time</td>
</tr>
<tr>
<td>c) Information to applicants</td>
<td>September 2014</td>
</tr>
<tr>
<td>d) Signature of grant agreement</td>
<td>October 2014</td>
</tr>
<tr>
<td>e) Starting of the action</td>
<td>November 2014</td>
</tr>
</tbody>
</table>
3.2 Deliverables

Projects co-financed under this call for proposals shall be carried out according to the following calendar to be considered as tentatively (November is considered as Month 1).

<table>
<thead>
<tr>
<th>Deliverables</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setting up of the Operative Team, fine tuning of the specific selection criteria, drafting of the application forms, etc.</td>
<td>November 2014 – December 2014</td>
</tr>
<tr>
<td>Implementation of the awareness raising and the Information campaign to potential candidates</td>
<td>From January 2015 on</td>
</tr>
<tr>
<td>Launch of the project, receiving the candidatures, selection procedures</td>
<td>Up to April 2015</td>
</tr>
<tr>
<td>Communication of the winner destination to the EASME</td>
<td>May 2015</td>
</tr>
<tr>
<td>Dispatch of the “Dossier on the winner destination” and the “Dossier on the runners up”</td>
<td>June 2015</td>
</tr>
<tr>
<td>National Award Ceremony and launch of networking activities; other communication activities</td>
<td>From June 2015 to end of August 2015 (end of the agreement)</td>
</tr>
<tr>
<td>Completion and dispatch of the “Final Implementation Report”</td>
<td>From September 2015 to October 2015</td>
</tr>
</tbody>
</table>

Maximum duration of action is: 10 months.
No applications will be accepted for projects scheduled to run for a longer period than that specified in this call for proposals.

4. **Budget Available**

The total budget earmarked for the co-financing of projects is estimated at EUR 750.000.
The maximum grant per project will be EUR 50.000.
The maximum EU financing rate of eligible costs per project will be 75 %.
The EASME reserves the right not to distribute all the funds available.

5. **Admissibility Requirements**

- Applications must be submitted no later than the deadline for submitting applications referred to in section 3.
- Applications must be submitted as explained in section 14.
- Applications must be drafted in one the EU official languages.

Failure to comply with those requirements will lead to the rejection of the application.
6. **Eligibility Criteria**

6.1. **Applicants' eligibility**

- Applications must be submitted by a legal person.

- Applicants must correspond to the definition of the following target organisations: National Administration in charge of tourism from the countries specified below.

  If the responsibility for the tourism sector is decentralised, then the proposal may be submitted by the competent regional administration. National Tourist Offices or other public bodies in charge of tourism can submit an application, provided that the competent National Administration gives its consent in writing.

- Corporate bodies must be properly constituted and registered under the law. If a body or organisation is not constituted under the law, a physical person must be designated to provide the legal responsibility.

Legal entities having a legal or capital link with applicants, which is neither limited to the action nor established for the sole purpose of its implementation, may take part in the action as affiliated entities, and may declare eligible costs as specified in section 11.2. For that purpose, applicants shall identify such affiliated entities in the application form.

6.2. **Geographical eligibility**

Only applications from legal entities established in one of the following countries are eligible:

- EU Member States

- Countries participating in the COSME programme under Article 6 of the COSME Regulation\(^{13}\).

*Only one application per country is admissible.*

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\(^{13}\) The following groups of countries are eligible for participation in COSME:

a. European Free Trade Association (EFTA) countries which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA Agreement, and other European countries when agreements and procedures so allow;

b. acceding countries, candidate countries and potential candidates in accordance with the general principles and general terms and conditions for the participation of those countries in the Union's programmes established in the respective Framework Agreements and Association Council Decisions, or similar arrangements;

c. countries falling within the scope of the European neighbourhood policies, when agreements and procedures so allow and in accordance with the general principles and general terms and conditions for the participation of those countries in the Union's programmes established in the respective Framework Agreements, Protocols to Association Agreements and Association Council Decisions.
7. **Exclusion Criteria**

7.1. Exclusion from participation:

Applicants will be excluded from participating in the call for proposals procedure if they are in any of the following situations:

(a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;

(b) they or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of res judicata;

(c) they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify including by decisions of the EIB and international organisations;

(d) they are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the RAO or those of the country where the grant agreement is to be performed;

(e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such an illegal activity is detrimental to the Union's financial interests;

(f) they are currently subject to an administrative penalty referred to in Article 109(1)\(^\text{14}\).\footnote{Regulation (EU, EURATOM) No 966/2012 of 25 October 2012 (Official Journal of the European Union L 298 of 26.10.2012)}

7.2. Exclusion from award:

Applicants will not be granted financial assistance if, in the course of the grant award procedure, they:

(a) are subject to a conflict of interest;

(b) are guilty of misrepresentation in supplying the information required by the Commission as a condition of participation in the grant award procedure or fail to supply this information;

(c) find themselves in one of the situations of exclusion, referred to in section 7.1.

The same exclusion criteria apply to affiliated entities.

Administrative and financial penalties may be imposed on applicants, or affiliated entities where applicable, who are guilty of misrepresentation.
7.3. **Supporting documents**

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to in articles 106(1) and 107 to 109 of the Financial Regulation\(^\text{15}\), filling in the relevant form.

8. **SELECTION CRITERIA**

8.1. **Financial capacity**

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out. To this end applicants will submit a declaration on their honour.

8.2. **Operational capacity**

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action or work programme. In this respect, applicants have to submit a declaration on their honour, and the following supporting documents:

- curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the operation;
- an exhaustive list of previous projects and activities performed and connected to the policy field of a given call or to the actions to be carried out;

9. **AWARD CRITERIA**

Eligible applications/projects will be assessed on the basis of the following criteria:

<table>
<thead>
<tr>
<th><strong>EVALUATION CRITERIA AND KEY ELEMENTS LIKELY TO BE ASSESSED BY THE EVALUATION COMMITTEE</strong></th>
<th><strong>Max. Score</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Relevance of the actions in view of the objectives of the call</strong></td>
<td><strong>30</strong></td>
</tr>
<tr>
<td>1. Overall understanding of the work to be performed, extent to which the proposed project is in line with the objectives of the Project, and clarity of the proposed project and level of detail of the work programme.</td>
<td></td>
</tr>
<tr>
<td>2. Coherence, appropriateness and feasibility of the activities proposed: extent to which the proposed activities are necessary for the implementation of the project</td>
<td></td>
</tr>
<tr>
<td><strong>2. Quality of the proposed actions</strong></td>
<td><strong>25</strong></td>
</tr>
<tr>
<td>1. Quality and completeness of the proposal: quality of the content / actions and quality of the presentation (eg if all parts assembled in the proper way, if it is completed with all requested documents, if pages are numbered, etc).</td>
<td></td>
</tr>
<tr>
<td>2. Extent to which the budget is complete, detailed and in line with the objectives and potential results of the proposed project. It will be judged if the link of each cost to the activities proposed in the project is clear.</td>
<td></td>
</tr>
</tbody>
</table>

\(^{15}\) See above.
3. **Impact on target audience**

<table>
<thead>
<tr>
<th>Multiplier effects (including possibilities for replication and extension of the outcomes, dissemination of information, etc) and impacts on the managerial and technical capacities of the applicant organisation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion of the action within the country and visibility raising of the EU support to the proposed project.</td>
</tr>
</tbody>
</table>

4. **Cost-effectiveness**

<table>
<thead>
<tr>
<th>Does the breakdown of the budget, category by category, offer a way of ensuring that the amount of the grant awarded is the minimum necessary for the operation to be completed?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do the probable results stand in a reasonable relationship to the amount of the grant?</td>
</tr>
<tr>
<td>To what extent is the proposed expenditure necessary for the implementation of the project?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Maximum total score</th>
</tr>
</thead>
</table>

In order to be considered for funding proposals will need to have passed an overall threshold of 60% in terms of total score. In addition, thresholds of 50% will be applied to each of the four individual award criteria described above in order to ensure a consistent minimum quality for all award criteria. Proposals will be ranked according to their total score.

10. **LEGAL COMMITMENTS**

In the event of a grant awarded by the Agency, a grant agreement, drawn up in euro and detailing the conditions and level of funding, will be sent to the beneficiary, as well as the procedure in view to formalise the obligations of the parties.

11. **FINANCIAL PROVISIONS**

11.1. **General Principles**

a) Non-cumulative award

An action may only receive one grant from the EU budget. In no circumstances shall the same costs be financed twice by the Union budget. To ensure this, applicants shall indicate the sources and amounts of Union funding received or applied for the same action or part of the action as well as any other funding received or applied for the same action.

b) Non-retroactivity

No grant may be awarded retrospectively for actions already completed.

A grant may be awarded for an action which has already begun only where the applicant can demonstrate the need to start the action before the grant agreement is signed.
In such cases, costs eligible for financing may not have been incurred prior to the date of submission of the grant application.

c) Co-financing

Co-financing means that the resources which are necessary to carry out the action may not be entirely provided by the EU grant.

Co-financing of the action or of the work programme may take the form of:

- the beneficiary's own resources,
- income generated by the action or work programme,
- financial contributions from third parties.

Co-financing may also take the form of in-kind contributions from third parties, i.e. non-financial resources made available free of charge by third parties to the beneficiary.

d) Balanced budget

The estimated budget of the action is to be attached to the application form. It must have revenue and expenditure in balance.

The budget must be drawn up in euros.

Applicants who foresee that costs will not be incurred in euros, are invited to use the exchange rate published on the Infor-euro website available at http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm.

e) Implementation contracts/subcontracting

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary must award the contract to the bid offering best value for money or the lowest price (as appropriate), avoiding conflicts of interests and retain the documentation for the event of an audit.

Entities acting in their capacity of contracting authorities in the meaning of Directive 2004/18/EC\(^\text{16}\) or contracting entities in the meaning of Directive 2004/17/EC\(^\text{17}\) shall abide by the applicable national public procurement rules.

Sub-contracting, i.e. the externalisation of specific tasks or activities which form part of the action/work programme as described in the proposal must satisfy the conditions applicable to any implementation contract (as specified above) and in addition to them the following conditions:

- it may only cover the implementation of a limited part of the action;
- it must be justified having regard to the nature of the action and what is necessary for its implementation;
- it must be clearly stated in the proposal.

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\(^17\) Directive 2004/17/EC coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors (Official Journal of the European Union L 134 of 30 April 2004)
f) Financial support to third parties

The applications may not envisage provision of financial support to third parties.

11.2. Funding forms

Mixed financing grants are calculated on the basis of a detailed estimated budget indicating clearly the costs that are eligible for EU funding. The grant amount may neither exceed the eligible costs nor the amount requested. Amounts are indicated in euros.

- **Maximum amount requested**

The EU grant is limited to a maximum co-funding rate of 75% of **eligible costs**.

Consequently, part of the total eligible expenses entered in the estimative budget must be financed from sources other than the EU grant (see section 11.1c).

- **Contributions in kind**

The external co-financing may be made up of contributions in kind in order to cover other costs necessary to carry out the project. Such contributions must not exceed:

- either the costs actually borne and duly supported by accounting documents;
- or, in the absence of such documents, the costs generally accepted on the market in question.

In-kind contributions shall be presented separately in the estimated budget to reflect the total resources allocated to the action. Their unit value is evaluated in the provisional budget and shall not be subject to subsequent changes.

In-kind contributions shall comply with national tax and social security rules.

- **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 (see section 11.1b).
- 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.

The same criteria apply to the affiliated entities.

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 or the work programme and which can therefore be booked to it directly, such as:

- the costs of personnel working under an employment contract with the applicant or equivalent appointing act and assigned to the action, comprising actual salaries plus social security contributions and other statutory costs included in the remuneration, provided that these costs are in line with the applicant's usual policy on remuneration. Those costs may include additional remuneration, including payments on the basis of supplementary contracts regardless of their nature, provided that it is paid in a consistent manner whenever the same kind of work or expertise is required and independently from the source of funding used;
- costs of the personnel of national administrations to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the project concerned were not undertaken;
- subsistence allowances (for meetings, including kick-off meetings where applicable, conferences etc.) provided that these costs are in line with the beneficiary's usual practices,
- costs of travel (for meetings, including kick-off meetings where applicable, conferences etc.), provided that these costs are in line with the beneficiary's usual practices on travel,
- the depreciation costs of equipment or other assets (new or second-hand): only the portion of the equipment's depreciation corresponding to the duration of the action/project and the rate of actual use for the purposes of the action may be taken into account by the EASME;
- costs of consumables and supplies, provided that they are identifiable and assigned to the action/project;
- costs entailed by implementation contracts awarded by the beneficiaries for the purposes of carrying out the action/project, provided that the conditions laid down in the grant agreement are met;
- costs arising directly from requirements linked to the implementation of the action/project (dissemination of information, specific evaluation of the action, translations, reproduction);
- costs relating to a pre-financing guarantee lodged by the beneficiary of the grant, where required;
- costs relating to external audits where required in support of the requests for payments;
- non-deductible value added tax ("VAT").
Eligible indirect costs (overheads)

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.

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

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

➤ Ineligible costs

- return on capital;
- debt and debt service charges;
- provisions for losses or debts;
- interest owed;
- doubtful debts;
- exchange losses;
- costs of transfers from the EASME charged by the bank of a beneficiary;
- 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;
- excessive or reckless expenditure.
- participation by any staff of the EU institutions in actions receiving grants
- others (in accordance with the relevant legal base).

➤ Calculation of the final grant amount

The final amount of the grant to be awarded to the beneficiary is established after completion of the action or work programme, upon approval of the request for payment containing the following documents:

- a final report providing details of the implementation and results of the action/work programme;

- the final financial statement of costs actually incurred,

EU grants may not have the purpose or effect of producing a profit within the framework of the action or the work programme of the beneficiary. Profit shall be defined as a surplus of the receipts over the eligible costs incurred by the beneficiary, when the request is made for payment of the balance. In this respect, where a profit is made, the EASME shall be entitled to recover the percentage of the profit corresponding to the Union contribution to the eligible costs actually incurred by the beneficiary to carry out the action.
11.3. Payment arrangements

A pre-financing payment corresponding to 50% of the grant amount will be transferred to the beneficiary within 30 days from the date when the last of the two parties signs the agreement, provided all requested guarantees have been received.

The EASME will establish the amount of the final payment to be made to the beneficiary on the basis of the calculation of the final grant amount (see section 11.2 above). If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the Commission through a recovery order.

12. Publicity

12.1. By the beneficiaries

Beneficiaries must clearly acknowledge the European Union’s contribution in all publications or in conjunction with activities for which the grant is used.

In this respect, beneficiaries are required to give prominence to the name and emblem of the European Commission on all their publications, posters, programmes and other products realised under the co-financed project.

To do this they must use the text, the emblem and the disclaimer available\(^\text{18}\) and in Annex 1.

If this requirement is not fully complied with, the beneficiary’s grant may be reduced in accordance with the provisions of the grant agreement.

12.2. By the EASME

With the exception of scholarships paid to natural persons and other direct support paid to natural persons in most need, all information relating to grants awarded in the course of a financial year shall be published on an internet site of the European Union institutions no later than the 30 June of the year following the financial year in which the grants were awarded.

The EASME will publish the following information:

- name of the beneficiary
- address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level\(^\text{19}\) if he/she is domiciled within EU or equivalent if domiciled outside EU,
- subject of the grant,
- amount awarded.

Upon a reasoned and duly substantiated request by the beneficiary, the publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the beneficiaries.

\(^{18}\) http://ec.europa.eu/dgs/communication/services/visual_identity/index_en.htm

13. **DATA PROTECTION**

The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, the questions and any personal data requested are required to evaluate the application in accordance with the specifications of the call for proposal will be processed solely for that purpose by the Head of Unit EASME A1 (COSME).

Details concerning the processing of personal data are available on the privacy statement at: http://ec.europa.eu/dataprotectionofficer/privacystatement_publicprocurement_en.pdf.

Personal data may be registered in the Early Warning System (EWS) only or both in the EWS and Central Exclusion Database (CED) by the Accounting Officer of the Commission, should the beneficiary be in one of the situations mentioned in:


or


14. **PROCEDURE FOR THE SUBMISSION OF PROPOSALS**

Proposals must be submitted in accordance with the formal requirements and by the deadline set out under section 5.

No modification to the application is allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or for the correction of clerical mistakes, the Commission may contact the applicant for this purpose during the evaluation process.

Applicants will be informed in writing about the results of the selection process.

- **Electronic submission**

Applicants are requested to log in at http://ec.europa.eu/easme/cosme and follow the procedure for submitting an application.

- **Contacts**

The EASME is available to answer questions relating to the content of the present call for proposals. All questions related to this call must be sent by e-mail to EASME-COSME-EDEN-CALL-2014@ec.europa.eu.

Only questions sent to the above mentioned functional mailbox will be answered. Answers will only be published periodically and within a reasonable period of time on http://ec.europa.eu/easme/cosme.
Annexes
- Annex 1: EDEN logo and EC logo
- Annex 2: Dossier on the EDEN winning and runner-up destinations