



**Call for proposals**  
**DESIGN BASED CONSUMER GOODS II**  
**COS-DESIGN-2015-3-06**

**Questions and Answers**  
**for the submission of proposals (FAQ's)**

*previous update 25 February 2016*

*current update 6 April 2016 (no more updates will be published for this Call)*

**Contents**

1. PRELIMINARY REMARKS: .....	2
2. QUESTIONS ASKED DURING THE INFO DAY DESIGN-BASED CONSUMER GOODS (30/1/2016) .....	3
3. GENERAL INFORMATION .....	4
4. OBJECTIVE(S) – THEME(S) – PRIORITIES - ACTIVITIES .....	4
5. INDICATIVE TIMETABLE .....	11
6. BUDGET AVAILABLE .....	11
7. ADMISSIBILITY REQUIREMENTS.....	12
8. ELIGIBILITY CRITERIA .....	12
9. EXCLUSION CRITERIA .....	17
10. SELECTION CRITERIA.....	17
11. AWARD CRITERIA .....	17
12. FINANCIAL PROVISIONS .....	18
13. SUBMISSION OF PROPOSALS .....	19

## 1. PRELIMINARY REMARKS:

This document provides replies to the most frequently asked questions (FAQ's) concerning the Design-based consumer goods Call. Its purpose is to clarify the text of the Call to facilitate the submission of good quality proposals. This set of questions (FAQs) are based on the questions applicants sent for the last call Design Based Consumer Goods I COS-DESIGN-2015-3-03 aiming at the same topic and objectives and with an elapsed deadline of 23 July 2015. This set has been completed by integrating questions asked during the Info-Day held on 30/1/2016 to promote the Call, and with additional relevant queries sent to the mailbox up-to-date. *(Updates are featured in red)*

Bear in mind that **this document is not legally binding**. It should be read in conjunction with the *text of the Call for proposals COS-DESIGN-2015-3-06 - Design Based Consumer Goods II*, and the *Instructions for completing the Application Package*. The link to these documents are published under the EASME web site <https://ec.europa.eu/easme/en/cos-design-2015-3-06-design-based-consumer-goods-ii>

An additional reference document to consult is the *annual work programme for COSME 2015*. This document is published under DG Growth web site <http://ec.europa.eu/growth/>  
The link to this document is: [http://ec.europa.eu/growth/smes/cosme/index\\_en.htm](http://ec.europa.eu/growth/smes/cosme/index_en.htm)

You may want to contact the Enterprise Europe Network (EEN) in your country and region. They can provide general information on the COSME programme and assist in case you are looking for partners in other EU country/ies <http://een.ec.europa.eu/>

Last but not least, **to ensure equal treatment to all applicants EASME does not provide** individual telephone information, accept to evaluate or provide assistance to concept notes/ideas or provide information on the eligibility of your activities or accept one-to-one meetings. At this stage, we can only provide clarifications on the text of the Call. We are not entitled to judge the eligibility of a project or an institution. This will be done by the appointed decision making body in charge, the evaluation committee, which decides based on the selection, eligibility and award criteria published in the text of the Call. Therefore, before applying we invite you to read carefully the Call specifications and if you fulfil the criteria set in the Call.

In case you still have further queries, please contact us via the functional mailbox for this action: [EASME-COSME-DESIGN-CALL2015@ec.europa.eu](mailto:EASME-COSME-DESIGN-CALL2015@ec.europa.eu)

***As a recall*** *The Call will support design based consumer goods projects from SMEs offering products services and innovative solutions technically ready for market uptake that reduce the time to market and remove obstacles to wider application.*

*'Design-based consumer goods SMEs are diverse. (...) They include value chains composed of design, product development, manufacturing and distribution operations of various sectors, including for example textiles, clothing, leather and fur products, footwear, bags and accessories, sports goods, games and toys, interior home decoration products (e.g. furniture, sanitary products, floor, wall and window coverings, table and kitchen ware, glassware), spectacles, watches, jewellery, various cosmetic and beauty products, etc.*

*Not considered will be primarily function-driven consumer goods categories such as motor vehicles, consumer electronics or white goods, although these also increasingly turn to design and emotion to add products value and achieve competitive differentiation.[1]*

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<sup>[1]</sup> This scope corresponds to the scope of the cross-European Technology Platform (ETP) initiative, dedicated to the design-based consumer goods industry which builds upon the FP7 project PROsumer.NET and was recognised by the European Commission

## 2. QUESTIONS ASKED DURING THE INFO DAY DESIGN-BASED CONSUMER GOODS (30/1/2016)

With the aim to promote the Call and further clarify the Call objectives and requirements we organised an info-day in January 2016 – all documents used during the day are available to the public in EASME website. Here below there is a list of the questions raised during the meeting.

1. **Could you elaborate on the 'Priorities of the EU' criteria – which priorities are the most important in regards to this particular Call and how they are going to be evaluated?** *A: priorities can be any the applicant decides are most relevant to the proposed project. There is no need to apply as many as possible, the essence is to name the most relevant one/ones that will be concerned while implementing the project.*
2. **How the information about the Call could be better disseminated amongst the main stakeholders SMEs?** *A: The European Commission has provided intense communication campaign together with partners in Member States (further on – MS), through Enterprise Europe Network (further on – EEN), regional organisations and representations in Brussels, industry stakeholders and specialised professional organisations. Stakeholders are also kindly invited to share the information on any relevant professional events targeting design consumer based goods SMEs.*
3. **Why has the budget of the Call been diminished from ~ 11 million EUR to ~ 4 million EUR this year?** *A: Since the majority of the proposals of the last Call were not of enough quality only 4 of them have been co-financed, it has therefore be decided to earmark a budget of 4 million EUR this year to proceed with the Call.*
4. **If there are many proposals that meet the criteria and quality standards, how will you decide which ones should be financed?** *A: Proposals are evaluated by external experts against the award criteria published in the text of the Call. There is a ranking system introduced to evaluate the applications on the grounds of the four award criteria thus the top ranked ones will be proposed for an EU co-funding.*
5. **What can be the smallest budget of the project?** *A: there is no minimum requirement set, but there should be a justification provided as regards to why this amount is needed for the project implementation.*
6. **In case a project holds many, e.g., 3-4 subcontractors, would it be more sensible to go for a consortium/partnership?** *A: yes, the idea is to team-up with other partners to match the necessary skills to implement a project, subcontracting should not form the most significant part of the project and budget and always need a justification. To underline that the most essential managerial tasks cannot be subcontracted.*
7. **Could you elaborate more on replication factor, does it necessary have to be free of charge/giving away activity?** *A: by replication factor mean the "sharing" of your gain within the EU and other SMEs. It does not mean that an SME has to give away its product/service/activity outcome free of charge, but rather that the outcome is an added value to break market barriers and can be replicated, e.g., to be used in other areas/sectors/MS. Proper example could be licensing.*
8. **Do SMEs forming a consortium have to come from different MS and how many of them have to be there?** *A: it is not regulated, e.g., could be from the same MS, or there could partners from 2 MS, the importance is that they (members of the consortium) show added value.*

**9. Is the next Call for proposals foreseen already?** *A: no, it is not foreseen so far for COSME work programme 2017.*

**10. Usually SMEs do not have the capacities to provide a proper application, can a project's coordinator be a consultancy company?** *A: No, the project must be SME led and the proposal can be submitted by SME alone or in a consortium involving other public and private partners. It is a common practice to have a consultancy service included (which has to be reflected in a budget of the project).*

### **3. GENERAL INFORMATION**

**1. Section 6.3 of the Call 'IMPLEMENTATION PERIOD' The maximum duration of projects is 33 months. The minimum duration of projects is 12 months.**

Applications for projects scheduled to run for a longer or shorter period than that specified in this call for proposals will be found ineligible.

**2. Section "6.2 Eligible consortia" of this call stipulates the following:**

- The call is open to SMEs and other legal entities.
- Only consortia led by an SME are eligible to this call.

### **3. EU contribution**

The Work Programme COSME 2015 states that "the typical size of the EU contribution will be between EUR 800 000 and 1 million per selected Project"<sup>1</sup>

This means that a contribution below 800 000 € will be seen as an untypical one, which can be accepted, but with justifications and reasons provided by the Project coordinator/Beneficiary.

### **4. OBJECTIVE(S) – THEME(S) – PRIORITIES - ACTIVITIES**

#### **Geography**

**1. Is there a preference concerning the geographical coverage (old/new EU Member States)?** *A: No, there are no specific requirements under this call. However, applicants are advised to put forward a balanced proposal in this respect.*

#### **Activities**

**1. Which projects will be supported?** *A: The Call will support projects of SMEs which are deploying novel products, services or solutions through first application, market uptake or replication<sup>2</sup> of "state of the art" technologies and creative solutions, which have already been technically demonstrated, but due to scaling up and/or commercialisation risks need incentives to penetrate the market.*

**2. Are medical products also addressed in the call?** *A: No, the medical products are excluded from the call. In the call text the following is specified: 'Design-based consumer goods SMEs are diverse. (...) They include value chains composed of design, product development, manufacturing and distribution operations of various sectors, including for example textiles, clothing, leather and fur products, footwear, bags and accessories, sports goods, games and toys, interior home*

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<sup>1</sup> <http://ec.europa.eu/DocsRoom/documents?locale=en&tags=2015%20documents>

<sup>2</sup> The aim is to maximise the impact of projects and mobilise wide market uptake to reach a critical mass and self-sufficiency during the project and in the short/medium term.

decoration products (e.g. furniture, sanitary products, floor, wall and window coverings, table and kitchen ware, glassware), spectacles, watches, jewellery, various cosmetic and beauty products, etc.

*Not considered* will be primarily function-driven consumer goods categories such as motor vehicles, consumer electronics or white goods, although these also increasingly turn to design and emotion to add products value and achieve competitive differentiation.<sup>3</sup>

**3. Does this call support food production?** *A: No, the call does not cover the production of food. For more details please see reply in the above question 2.*

**4. Do solutions need to face only commercialisation obstacles and residual risks linked to scaling-up in order to be eligible for funding or also technical risks are considered as risks to penetrate the market (e.g.: registrations that requires further tests, adaptation of the solution in order to enter in a specific market, etc.)?** *A: they can also relate to technical risks.*

**5. The call mentions the concept of ‘commercialisation risks or obstacles’ and ‘scaling up’ as critical factors that justify a support to help design-based products to penetrate market. I would like to know if there are some guidelines or examples that can help us in understanding more clearly what can be considered a commercialisation risk or scaling-up, so that we can assess better if we can apply to the call.** *A: commercialisation obstacles and residual risks linked to scaling-up in order to be eligible for funding or also technical risks are considered as risks to penetrate the market (e.g.: registrations that requires further tests, adaptation of the solution in order to enter in a specific market, etc.).*

**6. Can be residual risks considered as the implications concerning awareness campaigns for foreign business development?** *A: No.*

**7. Are advertising campaigns eligible for funding?** *A: In general terms, the answer is negative. But if support to dissemination of project results by a specialised company is necessary to the success of the project, a limited amount is eligible (less than 5% of total eligible costs).*

**8. Is it possible to obtain financial support for marketing activities in order to enable small enterprises that make valiant and winning products, to develop its own brands and goods to scaling-up?** *A: In general terms, the answer is negative. But if support to branding by a specialised company is necessary to the success of the project, a limited amount is eligible (less than 5% of total eligible costs).*

**9. Does the project concern the identification and financing of suppliers, agents, dealers and other operators to the commercial development of products?** *No.*

**10. We are aware the call seeks for projects to bring to market innovative design-based consumer goods. To do so, projects must already have done all research and have a validated prototype. This is clear. However, the set up for testing in operational environments are NOT FUNDED? Testing and verification of the products in real environments are often found to be particularly important for market uptake. Would it not be an eligible activity for the call?** *A: Yes, testing and verification of the products in real environments are eligible if they are necessary to the success of the project. **We stress the importance of the technologically readiness of the prototype to uptake the solution into the market. The Call is tapping at technologically ready products and solutions.***

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<sup>3</sup> This scope corresponds to the scope of the cross-European Technology Platform (ETP) initiative, dedicated to the design-based consumer goods industry which builds upon the FP7 project PROsumer.NET and was recognised by the European Commission on 30.06.2014, in the framework of the 'Strategy for European Platforms: ETP 2020' (letter signed by the Director General of DG Enterprise and Industry).

**11. Will it be eligible a project including cross-sectoral organisations so as to create services for industry as a whole or to replicate solutions from sector to sector? Or should the project necessarily focus on a specific product/service to be put onto the market?** A: *A project should necessarily focus on a specific product/service to be put onto the market by a SME.*

**12. Are eligible for this call advertising campaigns and marketing activity in order to allow the SMEs to reach the market with their products and brand?** A: *(refer to similar reply n°7) yes, if the activity is falling under the activities targeted by the Call and it represents new business models or solution. Please refer to the call Eligibility criteria section 6*

*The call supports: deploying novel products, services or solutions through first application, market uptake or replication of “state of the art” technologies and creative solutions. It does not fund research, prototype development and technological demonstration, or the set up for testing and further analysis.*

**13. May the project affect the funding of supplier and other operator for commercial development of the products?** A: *Please refer to the text of the Call Section 2 objectives, themes, activities, outputs. "Design-based consumer goods SMEs are diverse. Borders between primarily design-driven versus primarily functionality driven consumer goods categories are often not clearly demarcated. They include value chains composed of design, product development, manufacturing and distribution operations of various sectors, including for example textiles, clothing, leather and fur products, footwear, bags and accessories, sports goods, games and toys, interior home decoration products (e.g. furniture, sanitary products, floor, wall and window coverings, table and kitchen ware, glassware), spectacles, watches, jewellery, various cosmetic and beauty products, etc."*

**14. The production of pellet stoves as Design product can be consider eligible as interior home decoration products and not inserted in the category primarily function-driven consumer goods categories, thus becoming ineligible?** A: *Please refer to the text of the Call Section 2 objectives, themes, activities, outputs)In principle is considered as eligible as the design element is predominant.*

**15. We are focusing on new ecological surface treatment for advanced manufacturing (plastic and metal products especially, most of them in the priority fields of the call).**

A: *In principle yes, but the design element should be predominant. The text of the Call defines the following as not considered will be primarily function-driven consumer goods categories such as motor vehicles, consumer electronics or white goods, although these also increasingly turn to design and emotion to add products value and achieve competitive differentiation.*

**16. We would like to understand better if the kind of product we are developing – design urban furniture and street lighting – matches with the target of the Call in Object A: see reply above n°15. In principle yes if the design element is predominant, the text of the Call defines the following as not considered will be primarily function-driven consumer goods categories (...)**

**17. Is shoe production eligible?** A: *see reply above n°15 and 16. Yes, the text of the Call section objectives of the Call states that various sectors including leather and fur products and footwear are considered design-based products*

**18. Are eligible project targeting an innovative approach aimed at reaching different innovative design consumers goods to be marketed at the end of the project? And shall all potential target SMEs be involved as partners in the proposal or could they be selected during the project lifetime?** A: *Yes, this is one of the purposes of the Call. Only SME in the design-based consumer goods sector can apply as lead partners, and you have to identify all partners of the Consortium at the moment of submitting your application.*

*The consortium should propose new products, technologies, services, ideas or solutions to offer, apply or uptake into the market.*

*The call supports: deploying novel products, services or solutions through first application, market uptake or replication of “state of the art” technologies and creative solutions.*

*It does not fund research, prototype development and technological demonstration, or the set up for testing and further analysis. For further information, please also refer to the text of the Call Section 2 objectives, themes, activities, outputs.*

**19. Do you expect projects proposers to run marketing initiatives or to involve scientific opinion leaders (like universities or cluster organizations) to push these new products? Is the call related to the creation of commercial partnerships, strategies and networks? What do you exactly mean with creative solutions?** *Yes, indeed, this is one of the purposes of the Call, the supported projects are also expected to create new strategies and business models.*

*Please also refer to the text of the Call policy context (section 1.2): "Design-based consumer goods SMEs need to react by continuously reinventing their business models, by changing production and distribution patterns to match the demand expressed by consumers and capture new market trends. In order to remain competitive, these companies have to continue moving towards higher added value products, processes and services".*

*Concerning the partners involved, note that ONLY SME's in the design-based consumer goods sector can apply as led partners, however you can include partners such as universities and educational institutions, research and technology organisations relevant support services or other SME's (refer to the text of the Call eligible consortia Section 6.2)*

*The commercial partnership/networks you propose has to offer new products, technologies, services, ideas or solutions to offer, apply or uptake into the market.*

*The call supports: deploying novel products, services or solutions through first application, market uptake or replication of “state of the art” technologies and creative solutions. It does not fund research, prototype development and technological demonstration, or the set up for testing and further analysis.*

**20. Could you please specify what you mean by “solution”? Does the call address also projects which are providing new solutions to the production processes adopted to innovate design based products? In other terms can “solution” be referred also to the technology adopted behind product?** *A: Yes it can refer to the technology adopted behind the product. For further information, please also refer to the text of the Call Section 2 objectives, themes, activities, outputs. The Call will support projects of SMEs which are deploying novel products, services or solutions through first application, market uptake or replication<sup>4</sup> of “state of the art” technologies and creative solutions, which have already been technically demonstrated, but due to scaling up and/or commercialisation risks need incentives to penetrate the market. It does not fund research, prototype development and technological demonstration, or the set up for testing and further analysis.*

**21. What kind of creative solutions fall within the call definition? and, in particular, if we can consider an eligible creative solution an Intelligent Authoring System allowing to create highly interactive and personalized apps?** *A: In principle is eligible, please to the text of the Call the text of the Call Section 2 objectives, themes, activities, outputs. In principle a creative*

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<sup>4</sup> The aim is to maximise the impact of projects and mobilise wide market uptake to reach a critical mass and self-sufficiency during the project and in the short/medium term.

solution can be an Intelligent Authoring System allowing to create highly interactive and personalized apps. However, be aware that the design aspect has prevailed in the proposed activity and output. For further information, please also refer to the text of the Call Section 2 objectives, themes, activities, outputs: 'Promoting cross-sectoral collaboration, use of design and creative solutions, including by use of digital technologies'... 'Addressing societal challenges and needs'...

**22. Would a prototype of a bicycle for children with a synchronous pedal mechanism with improved features and offering personalisation features according to customer preferences be eligible?** A: In principle is an eligible sector and activity. Please refer to the examples of the sectors as described in the section 2 of the Call text i.e there are sports goods and games and toys. '...They include value chains composed of design, product development, manufacturing and distribution operations of various sectors, including for example textiles, clothing, leather and fur products, footwear, bags and accessories, sports goods, games and toys, interior home decoration products ...' 'The call ... aims to shorten the time-to-market of innovative solutions, remove obstacles to wider application of creative solutions, create or enlarge markets for related products (or services) and finally improve the competitiveness of European SMEs in world markets'. *We stress the importance of the technological readiness of the prototype to uptake the solution into the market. The Call is tapping at technologically ready products and solutions.*

**23. Can be considered as admitted project the development of business model of a line of products?** A: In principle yes (please refer to the text of the Call Section 2 objectives, themes, activities, outputs for more specific information) **Is necessary a patent or a registered design to participate to the call?** A: No **Are costs eligible those related with the registration of a patent or a design?** A: Yes, however the Call will support projects that have been already technically demonstrated. In the application you have to indicate a description of previous projects and activities related to the field of the call from the last 3 (three) years as well as List of tools, equipment, patents which relate to the field of the call. Under the operational capacity point 8.2 '...you have to provide a description of the technical equipment, tools or facilities and patents at the disposal of the applicant in relation to the proposal'

**24. In our specific case, for the market introduction, our company would need to SCALE UP the innovative process line as well as (it implies quite consistent equipment costs), FINE-TUNE the innovative material to produce our products (it implies parameters final optimization and set up), INSTALL the related products in different real scenarios, perform the measurements on the inducted benefits on health and environment: all this is important to VALIDATE and showcase to our market the huge potentials of the innovation and products, and DISSEMINATE the results by a sound campaign all over Europe. Are ALL such activities eligible? Would it be advisable to have such activities in the proposal?** A: All activities you proposed are in principle eligible. Refer to the text of the Call: 'SME has to offer new products, technologies, services, ideas or solutions to offer, apply or uptake into the market'. The call supports: deploying novel products, services or solutions through first application, market uptake or replication of "state of the art" technologies and creative solutions. It does not fund research, prototype development and technological demonstration, or the set up for testing and further analysis.

**A final advise: our innovative material is very well adaptable and usable in other sectors, different from the targeted ones from our company, is it advisable to include in the team partner(s) to showcase – by VALIDATION? - the potentialities in such other sectors even if the main project scopes are targeted to 1 specific sectors? Or it is more appreciated to target more than 1 market already during the project?** A1: Yes cross-sectoral collaboration is one of the scopes of the Call. Refer to the text of the Call - themes and priorities of the Call 'promoting cross-sectoral collaboration ...'

A2: *We cannot pronounce ourselves on these points, it is up to you to decide according to the new product, technology, service, idea or solution to offer, apply or uptake into one or more markets*

**25. When the call talks about ‘market replication of the market solution’, does this refer to replicate the solution in the proposal or in other enterprises?***A: To reply to your query refer to the text of the Call - Objective(s) – Theme(s) – Priorities – Activities. Basically you have to offer innovative ideas, services, solutions, technologies and how these can be applied to your sector or other sectors 'promoting cross-sectoral collaboration', 'catalysing new applications responding to new customer needs', 'responding to current & future market trends' 'addressing societal needs', 'new business models'.*

**26. What kind of actions are understood as an advertising campaign? Are they included in the maximum of 5% costs of designing and printing brochures, product promotional materials, assembly of stands at fairs, developing a brand image for the product, services of a press agency? Or is this 5% refer to buying ads in magazines, radio or television?***A: Refer to above answers in these FAQs on advertising campaigns to have a better idea and examples of what the Call means by advertising campaigns and type of activities you may plan. Please also refer to section 9 of the text of the Call 'Award criteria' Impact on target audience which represents 30 points out of 100.*

*Refer also to the documents requested in the submission package - Under section 3 of the technical Annex 1 (objective of the action 'exploitation of the action') you are requested to inform about your marketing strategy, replication and transferability, exploitation and business opportunities (...). You also have to explain how you will target your target group and your market. For example, developing a brand image for the product/idea/technology is considered as part of the marketing campaign.*

**27. Are projects concerning Sports & Health eligible?** *A: Please refer to the text of the Call Section 2 objectives, themes, activities, outputs. Within the text of the Call section objectives states that various sectors including sports goods are considered as design-based products. In principle sport and health are eligible if the design element is predominant.*

**28. Are child safety seats / consumer goods?** *A: Same as above, in principle it can be considered as eligible if the design-based consumer goods element is predominant. Please refer to the text of the Call Section 2 objectives, themes, activities, outputs.*

**29. This is an inquiry from an SME offering an innovative service consisting of a new point of sale ecosystem to all kind of retailers. Would a project proposal containing the above mentioned sales ecosystem development for market uptake, been already technically demonstrated, and offering a new solution to retailers, be eligible? YES Could the SME, above described, be the lead applicant? YES**

**30. does the EU funding covers the design stage?** *A: Yes, if the meaning of design stage is product development or further testing in a real market environment. However, we stress the importance of the technological readiness of the prototype to uptake the solution into the market. The Call is tapping at technologically ready products and solutions.*

**31. Regarding to work programme there are mentioned only B2C products and services. Is it possible to implement such Project based on B2B products and services with wide range of market and end costumers?** *A: Yes if these are in the area of DESIGN based consumer goods.*

**32. together with some innovative Italian SMEs we are devising a project proposal aimed at designing and developing a novel design based class of products that integrates state of**

**the art (and proven) ICT technologies, materials and design methodologies, would it be eligible?** A: *in principle yes, however we invite you to read carefully the text of the call, and decide yourself to go or not ahead with the preparation of a project.*

**33. cultural and creative industries are eligible to apply.** A: *Please refer to the aim and purpose of the Call to find a reply to your query. The Call is focussed on design based consumer goods and SMEs in this sector, if these cultural and creative industries you are referring to produce design based consumer goods to uptake into the market they will be eligible.*

**33. A company would like to use a different material (instead of the common porcelain for instance) for the production of tableware. The material is used as state of the art material in the refractory industry, but not in the fine ceramic industry. The input of energy in the production of such products might be lower than by producing common porcelain, such a project may fall under the scope of this programme?** A: *The way you describe it could fall as far as it has a design based consumer character. However note, that we can only provide clarifications on the text of the Call. We are not entitled at this stage to judge the eligibility of a project. We invite you to read carefully the specifications, and if you consider it fulfils the requirements decide yourself to go or not ahead with the preparation of a fully-fledge project.*

**34. I would like to know what kind of creative solutions fall within the call definition and, in particular, if innovative solutions for the interiors of means of transport (school bus, train, ship and cars), such as for example seats, are eligible for grant application.** A: *The text of the Call list interior home decoration and motor vehicles are excluded. Note that we can only provide clarifications on the text of the Call. We are not entitled at this stage to judge the eligibility of a project. We invite you to read carefully the call guidelines section 2, and if you consider that the 'seats' you produce and uptake into the market would have a design-based consumer goods component it may fall under the Call objectives*

**34. our company is developing innovative solution in the field of seismic protection of the buildings.** A: *in principle it is not falling under the objectives, themes, activities and outputs of the Call.*

**35. Could an sme provider of technologies & services be the lead partner in a project proposal in this call cosme-design based consumer goods II?** A: *In principle yes, however the project should have a design based consumer goods character, refer to section 2 of the Call guidelines.*

**36. Please could you let me know if the actual material and production costs of the consumer goods are covered in this award i.e if we were making clothing would we be able to include the costs of the materials and also the costs of manufacturing the clothing?** A: *Yes, if the production is part of the further development by meaning product development or further testing in a real market environment. Otherwise, the costs of materials and manufacturing are not considered as such in the budget template. Please refer to refer to section 2 of the Call guidelines. The Call supports deploying novel products, services or solution through a first application, market uptake or replication technically demonstrated.*

**37. a start-up company belonging to design sector may apply to COS-DESIGN?** A: *In principle yes however read carefully the eligibility conditions section 6 (eligibility criteria)*

**38. I am a project manager for a new company who is going to produce linen bedclothes for children. We are interested in this call for design goods, as I went through guide and description, I was wondering, if it's worth to apply for it if our planning budget would be under 10 000 EUR?** A: *It seems that your project is not within the scope of this Call. Please read thoroughly the Call requirements which is mainly market uptake. This action will request higher amount of 10.000€*

**39. We are developing solutions on multiple platforms to help the yacht/boat trading industry to accelerate communication and sales. Would our mobile application count as a consumer good in the marine industry?** A: *The call is limited to the design-based consumer goods industries, which include value chains composed of design, product development, manufacturing and distribution operations of various sectors, including for example textiles, clothing, leather and fur products, footwear, bags and accessories, sports goods, games and toys, interior home decoration products (e.g. furniture, sanitary products, floor, wall and window coverings, table and kitchen ware, glassware), spectacles, watches, jewellery, various cosmetic and beauty products, etc. The marine industry is not included in this scope.*

**40. Should the selling start within the implementation period? A: Not necessarily Is the implementation period for making all the preparation for 'Being Ready' on the market? A: Yes Will it be acceptable if there is a pre-sell around the 20th month as part of evaluation and preparation for the project? A: Yes Should the project effect to other sectors as a good example already with in the implementation period? A: It will be preferable. For recall: The Call will support projects of SMEs so the leader of the project must be a company (SME), alone or heading a consortium. The call will support projects that deploy concrete novel products, services or solutions addressing identified market barriers. Therefore it concerns the very last stage between prototype development and commercialisation. The overall objective is to improve the competitiveness of European SMEs and every proposal must demonstrate that it will contribute to this objective.**

## **5. INDICATIVE TIMETABLE**

## **6. BUDGET AVAILABLE**

**1. The EU contribution to a project is up to 50%, so the remaining 50% has to be co-financed?** A: *Yes, that is correct. As stated in the terms of reference the grant is limited to a maximum reimbursement rate of 50% of eligible costs. Co-financing means that the resources which are necessary to carry out the action may not be entirely provided by the EU grant. It may take the form of:*

- *the beneficiary's own resources;*
- *income generated by the action;*
- *financial contributions from third parties.*

**2. I read that the typical size of the EU contribution is between EUR 800 000 and 1 million per selected project and that the grant is limited to a maximum reimbursement rate of 50% of the eligible costs. So I assume that the expected project budget ranges between 1.6 and 2 million. Am I right or may smaller budgets also be considered?** A: *The Work Programme COSME 2015 states that "the typical size of the EU contribution will be between EUR 800 000 and 1 million per selected Project". This is only an indication, it means that a contribution below 800 000 € will be seen as an untypical one, which can be accepted. You may want to indicate the reasons why the project is of less size.*

**3. Should we consider 1.6 million euros as the minimum total cost for the project or the minimum cost can be lower?** A: *The text of the Call does not indicate that proposals bellow 800.000€ are ineligible, it states that "the typical size of the EU contribution will be between EUR 800 000 and 1 million per selected Project" (refer to reply n° 2)*

**4. According to the information given in Call for proposals (p. 4. Budget available and funding of projects) the "typical size of the EU contribution will be between EUR 800 000 and 1 million per selected project." Does it mean that the total project budget should be estimated as minimum EUR 1 600 000 (including 800 000 EU contribution and 800 000 applicant input)?** A: *The text of the Call does not indicate that proposals bellow 800.000€ are ineligible, it states that "the typical size of the EU contribution will be between EUR 800 000 and 1 million per selected Project". The Commission will provide a maximum co-funding of 50% this means that if the total budget is 1.6, the EU will provided 50% (800.000 €). This is an indication,*

but you are not obliged to submit a proposal of this total budget costs and size or to request the maximum EU 50% co-funding. (refer to replies n° 2 and 3)

**5. If the income generated by the action can be part of co-funding, could we partially rely on the estimated revenues the project will provide in the future and use that as part of our co-funding?** A: The incomes generated by the action can be part of co-funding and can be considered as estimated revenues the project will provide in the future. The Call text (section 11 financial provisions) states that co-financing means that the resources which are necessary to carry out the action may not be entirely provided by the EU grant. It may take the form of: the beneficiary's own resources; income generated by the action; financial contributions from third parties.

**6. The EU contribution to a project is up to 50%, so the remaining 50% has to be co-financed?** A: Yes, that is correct. As stated in the terms of reference the grant is limited to a maximum reimbursement rate of 50% of eligible costs. Co-financing means that the resources which are necessary to carry out the action may not be entirely provided by the EU grant. A: Yes, that is correct. It may take the form of: • the beneficiary's own resources (here you mean that we may co-finance with working hours, etc?) A: Yes it can be, (paid working hours not in-kind) please refer to the template budget to be submitted with the proposal – direct staff cost and table revenue • income generated by the action; (here you mean we shall enclose a business plan?) A: This is a forecast, you may fill the revenue table on the basis of your business plan - at the end of the action you will be reimbursed on the basis of real costs incurred and real revenues generated.

## 7. ADMISSIBILITY REQUIREMENTS

### 1. Can we submit our application in another EU language than English?

A: According to the section "Admissibility requirements", applications must be drafted in one of the official EU languages. However, the Guide for Applicants requires in such cases to submit a summary of the proposals in English (see 'Section III. Proposal submission'): [https://ec.europa.eu/easme/sites/easme-site/files/documents/cos-design-2015-3-03\\_guide\\_for\\_applicants.pdf](https://ec.europa.eu/easme/sites/easme-site/files/documents/cos-design-2015-3-03_guide_for_applicants.pdf)

If you do so, please encode the summary in English in the Technical Annex 1 – Description of Action template in "Section A: Project Summary".

## 8. ELIGIBILITY CRITERIA

### Eligible applicants

**1. In case we decide to apply for a multi-beneficiary grants, the consortium should include a minimum and maximum number of partners? Furthermore, should partners be from different participating countries (e.g.: a minimum of 3 partners from 3 different countries)?**

A: There is no limit to the number of partners neither to their geographical location. Be reminded that the consortium leader **MUST** be an SME.

**2. In case there is no limit in the number of eligible partners, does it exist an ideal number of partners to be included in the project proposal? Is a transnational partnership considered an added value to the proposal?** A: There are neither maximum nor minimum limits to the number of partners. A consortium built-up of partners coming from different countries is eligible as long as the partners come from COSME countries. For more information on the COSME eligible countries please refer to the link: [http://ec.europa.eu/growth/smes/cosme/index\\_en.htm](http://ec.europa.eu/growth/smes/cosme/index_en.htm)

**3. We would like to know if a Chamber of Commerce or a Union of Chambers of Commerce can be an eligible partner within the call in the object.** A: Chambers of Commerce are eligible to apply, but only as partners in a consortium. That consortium must be led by a SME. For the legal base see section 6.3 of the call text.

**4. Is there a preference concerning the geographical coverage (old/new EU Member States)?** A: No, there are no specific requirements under this call. However, applicants are advised to put forward a balanced proposal in this respect.

**5. If the project proposal is submitted by a start-up, in partnership with a start-up incubator, is the latter considered an added value partner for the elaboration of market strategies, market analysis, providing technical laboratories, etc.?** A: Start-up incubators are invited to participate in the call, whereby the application procedure must be led by a SME. A supportive and advisory role of an incubator may be taken into account at the evaluation stage. Please see text of the Call Section 9 the Award criteria.

**6. Can an institution of knowledge participate in two different projects for this call?** A: Only SMEs can participate at this Call, alone or in a consortium. The Consortium may involve an institution of knowledge or other public or private bodies as a partner. (Refer to section 6 in the text of the Call - eligibility criteria) The text of the Call does not indicate the minimum or maximum number of projects you can submit. Said that, please note that you have to make reference to the two projects submission. You may also have to ensure that you have the financial and technical capacity of implementing concomitantly two projects of this size.

**7. Can Research and Technology Organizations be co-funded? Is it active a partner search page for applicants in this call?** A: (refer to above) Only SMEs can participate at this Call, alone or in a consortium. The Consortium may involve an institution of knowledge or other public or private bodies as a partner. (Refer to section 6 in the text of the Call - eligibility criteria). You may want to contact the Enterprise Europe Network (EEN) in your region/country, they can provide general information on the COSME programme and assist in case you are looking for partners in other EU country <http://een.ec.europa.eu/>

**8. Is it possible to submit a proposal SME and partners, where partner is a midsize company ~400 employees?** A: In the text of the Call - (section 1 introduction) it is mentioned that 'Small and medium-sized enterprises (SME) play a crucial role in reaching the objectives of the Europe 2020 Strategy...' 'In this context, the Programme for the competitiveness of enterprises and small and medium-sized enterprises (2014-2020), hereinafter referred to as "COSME", aims to promote growth and to strengthen the competitiveness and sustainability of enterprises in the European Union'.

Hence, it is considered that there is no limitation in the text of the size of the SMEs in terms of the number of employees. However, the Call stresses the importance of being SMEs in the design-based consumer goods sector offering new products, technologies, services, ideas or solutions to apply or uptake into the market. (Refer to the text of the Call Section 2 objectives, themes, activities, outputs) and that 'Only SMEs can participate at this Call, alone or in a consortium'. (Refer to section 6 in the text of the Call - eligibility criteria)

**9. We are submitting a project for the call for proposals Design-Based consumer goods, we were wondering if associations are eligible as a partner of the consortium? the consortium will be led by an SME as required by the call.** A: associations can be partners in a consortium led by an SME.

**10. Is it possible that a non-SME company can participate to the project - The project leader will be a SME** A: Yes And if yes, can the non SME-company also introduce a budget? A: Yes, the non SME will act as a partner. **I have a one-person company specialized in new developments and technology development, dissemination, translation and exploring. I took the initiative to bring some SMEs together with interest in introducing a COSME project as consortium. Can I be the project coordinator?** A: Yes if you are an SME, please refer to section 6 in the text of the Call eligible applicants.

**11. Timetable for fund distribution, for evaluation and grant agreement (no answer on the call document).** A: Refer to section 3 in the text of the Call : timetable – signature of the Grant Agreements and evaluation period **Do you need to have Chamber of Commerce perusal of all the participants? in which part?** A: No if a company is not a SME but a micro, but the owner is another company that is a SME, which one of the two company need to present the call proposal? A: We are not sure what do you mean. Refer to section 6 eligibility criteria – 6.1 eligible applicants – applicant organisations must be legal entities. The call is open to SMEs and other legal entities.

**12. According to what EU rules foresee, Does a micro-sme can act as eligible Lead Partner in a project proposal under the cosme design based consumer goods II call?** A: It is already replied in the FAQs – and Refer to section 6 in the text of the Call eligibility applicants **Does a SME subsidiary of the lead partner act as affiliated partner to Lead partner and have its own budget?** A:Yes **And in this case is there a maximum % of total project budget necessarily planned (or recommended) to be reserved to the affiliated partner?** A:No **Or Lead partner must provide budget for the subsidiary affiliated?** A:Technically it is like another partner but linked to the lead partners. **Must the declaration of Honour (certifying that partners are not in one of the situation referred to in articles 106 and 107 to 109 of the Financial regulation) be provided and uploaded in a separate declaration in the submission phase? Or must be provided later in case of project proposal approval?** A:This is already answered in section 7 of the Call text and in the FAQs refer to the exclusion criteria. **Could a SME having legal or capital link with an applicant participate in the project proposal as a Consortium Partner?** A:Yes **Or does it have to participate as an affiliated entity?** A: it is up to you to decide the legal role this partner/entity plays and describe the functions/responsibilities it has within the project scope. **If the SME has to participate as affiliated entity, where and how can we give evidence of its participation?** A: See section 13 FAQs **How do we have to draft the budget? In the budget template (technical annex 2), the only option for the “partner type” are CC (Consortium Coordinator) or CP (Consortium Partner). Can we indicate that SME as CP (and so foresee its own budget) and later, in the Part A, indicate the character of dependence with the other applicant?** A: (as referred above) technically it is like another partner but linked to the lead partners. You have to insert within the budget template a separate budget for the affiliated as if it was another partner. Refer to FAQs section 13 concerning the legal requirements of an affiliated entity – submission of proposals.

### **Geographical eligibility**

**1. How can applicants know whether their country participates in the COSME programme?**

A: As mentioned in footnote 9 of the call, the European Commission, DG GROWTH provides up to date information regarding the countries that participate in COSME. The link in that footnote leads you to the COSME page on the site of the European Commission. If you are not certain whether your country has signed an agreement with the Commission, please check the following new web page where you will find a document regarding 3<sup>rd</sup> country participation: [http://ec.europa.eu/growth/smes/cosme/index\\_en.htm](http://ec.europa.eu/growth/smes/cosme/index_en.htm)

**2. What happens to a proposal that contains partners from countries not participating in the COSME programme at the time of submission of the proposal?**

A: In principle, at the time of submission all partners of a proposal for a consortium should come from countries participating in the COSME programme. However, some 3<sup>rd</sup> countries are in the process of finalising a formal agreement with the European Commission on participation in COSME. In this regard, some flexibility will be ensured by the EASME for this call. That means: If such agreement has not been formally signed on the day the EASME issues the award decision for the projects to be co-financed under this call, the partner from a non-participating country might indeed be regarded as ineligible for funding. He might participate without receiving funding though.

**3. Are legal entities coming from Switzerland eligible to participate as lead or project partners?** A: Switzerland is not part of COSME. They can be a partner but cannot receive any funding.

### **Duration of the action**

**I understand that the call states that project duration must be 33 months. Is this right? Are no other durations possible?** A: The **maximum** duration of the action is 33 months. Other durations are therefore possible. For more details please see the corrigendum and the new version of the Section 6 point 3: Section 6.3 of the Call 'IMPLEMENTATION PERIOD' is repealed and replaced by the following:

*The maximum duration of projects is 33 months. The minimum duration of projects is 12 months. Applications for projects scheduled to run for a longer or shorter period than that specified in this call for proposals will be found ineligible.*

### **Consortium**

**1. Is it possible for SME to present project in partnership with other entities located in the same region, so not a transnational partnership?** A: Refer to the text of the Call – Eligibility criteria section 6 – ONLY SMEs can apply to lead a consortium. The call is open to SMEs and other legal entities. SMEs may participate alone or in a consortium. Only consortia led by an SME are eligible to this call. Consortium coordinator must be an SME. In the text of the Call it is not mentioned that the eligible consortium should be national or transnational. Thus it is up to the Design-based consumer goods SMEs leading the Consortium to consider to team up with local entities from the same region or transnationally depending upon the type of objectives, activities and outcomes intended to be achieved by the project.

**2. We are a research centre and we are helping an SME to prepare a COSME proposal. Can we be subcontracted by the SME in order to support them in management tasks besides technical tasks. Is it necessary to sign the consortium agreement before the submission of the proposal?** A: Refer to the text of the Call – Eligibility criteria section 6.1 and 6.2 – ONLY SMEs can apply to lead a consortium. The call is open to SMEs and other legal entities. SMEs may participate alone or in a consortium. A consortium must be led by an SME. It can include partners such as universities and educational institutions, research and technology organisations, relevant support services, other SMEs or other legal entities. The profile of each partner must be described in the Description of Action (Technical Annex 1 to this call). In principle you are therefore eligible – however, your profile, responsibilities and role, should be described in the Annex I and when you describe the work packages.

Concerning the second question, for a sound-project management and for solid and smooth consortium relations, it is advised you regulate/stipulate your relationship in a partnership agreement beforehand (your obligations, task sharing and responsibilities). This is a private document between all Consortium members and does not need to be included in the application form.

**3. is there a minimum number of partners to be reached in order to complete an eligible consortium? Partners could come all from a unique country' (Italy, for example)** A: No there is no max or minimum number, and yes all partners could come from one country.

**4. A company, small and recently created, but with very strong commercial potential (explained in their business plan) presents a proposal as the only partner of a COSME proposal: may the COSME program finds the proposal weak due to the fact the company is the only partner of the proposal?** A: NO, if the proposal is a solid and sound one and falls within the Call objectives. However be aware that if the application is successful, at the moment of the Grant Agreement signature the company has to demonstrate financial viability. **They**

**subcontract a Technology Centre in the proposal; would it be better for the Technology Centre to act as a full partner of the proposal, to strengthen the proposal?** A: *It is up to you to decide and justify as regard to the nature of the action and its scope. However, note that the principle is that subcontracting must be limited ("subcontracting may cover only a limited part of the action"). Refer to the subcontracting rules applicable to the Call set out in section 11*

### **Eligible costs and activities**

**1. Are cost related to project management (interim and final reports development, project monitoring...) eligible?** A: *Yes, as they are part of the action.*

**2. Are cost related to representation (meetings organization, networking events attendance ...) eligible?** A: *Yes as far as they are part of the action and included in the promotional and dissemination activities, notably aiming at multiplying the impact of the project solution and at mobilising a wide market, refer to award criteria 3*

**3. Are cost related to the setting up of a subsidiary company in the targeted market (abroad) eligible? And in case that such target market is outside the EU?**

A: *Refer to the text of the Call – infrastructure will not be funded (page 19) Related to your second question refer to our reply before. You have to individualise the market(markets you are targeting) it will be eligible if they are related to the action and included in the promotional and dissemination activities, notably aiming at multiplying the impact of the project solution and at mobilising a wide market, refer to award criteria 3*

**4. May be considered as a third party the contribution of a national agency to the project? In case we are planning to request national funds for actions linked to the project (but whose costs will not be requested in the framework of this call), shall we include them as a contribution of a third party? Would it be a problem if finally such national agency would not fund our project?** A: *Note that the consortium has to provide a co-financing, the Grant is limited to a maximum reimbursement rate of 50% of the eligible costs. If the revenues you are expecting from one of the partners decrease, you may have to options: a) the other partners may raise their contribution or b) you decrease the requested EU co-funding accordingly.*

**5. Our main target market is USA, but the profit and the associated job creation will be in Europe, is this suitable for this call?** A: *COSME programme is a programme for the competitiveness of SME's, therefore to create jobs you may want to elaborate on this aspect in the identified potential market size for uptake and in the section performance indicators to assess the impact in terms of job creation.*

**6. In technical Annex I, a business plan is required at B.1.1 – point.3 “exploitation of the action”, and again in B.2.1, where business plan should be copied?** A: *B1.1 Point 3 pinpoints 'on the activity/action itself', and it is related to the exploitation of the action. It should be read in alignment with the award criterion 2 quality of the proposed action and criterion 3 'Impact on target audience ' what is the quality of the business plan in relation to planned exploitation? The second aspect B.2 pinpoints 'the organisation and managerial capacities of the proposed consortium organisation and management capacity of your SME and consortium'. It replies to the question how will you work and put in place decision making procedures and structure.*

**7. Under this call, participant's eligible costs are co-financed at a 50% rate. Does it mean that the other 50% must come from the SME's own budget (“fonds propres”) or they could come (partly or completely?) from another public funding organization like a regional or national innovation agency?** A: *Note that the consortium members have to contribute with a co-financing, the EC grant is limited to a maximum reimbursement rate of 50% of the total eligible costs. The other 50% co-funding can be from public and/or private sources.*

## 9. EXCLUSION CRITERIA

### Supporting documents

**1. Will you provide us with template forms of declarations of honour in order for us to meet the requirements as mentioned in 7.3 at a later stage?** A: No, as specified in this section of the call, it is not necessary to submit a declaration of honour in the electronic submission tool (SEP) in the Participants Portal. All partners of projects recommended for funding will be required to submit such declarations at a later stage (during the Grant Preparation Process).

However, at the time of submission the coordinator will be requested to confirm, in the electronic submission tool, that none of the partners is in a situation as described in section 7 of the call.

Consequently, we strongly encourage the proposal coordinator to receive appropriate reassurance, prior to submission, that none of the partners is in such situation.

**2. Do the rules in Exclusion Criteria «they are bankrupt...» concerns what occurred in the past?** A: The situations of exclusion enumerated in call section 7 "Exclusion criteria" do not refer to the past but only to the present and to the grant award procedure course.

## 10. SELECTION CRITERIA

**1. Will you provide us with template forms of declarations of honour in order for us to meet the requirements as mentioned in 8.1 and 8.2 at a later stage?** A: Yes, a form will be made available to those projects that will be recommended for funding. Such declaration will be made available during the electronic grant agreement preparation process.

**2. What do you expect as evidence of "financial capacity"?** A: Financial capacity of applicants is assessed on the basis of the balance sheet of the last financial year for which the accounts were closed; for newly created entities the assessment is based on the business plan; for non-profit organisations it is based on the annual budget of the last two years.

**4. Is there any other document we should provide at this stage with the application?** A: At the submission stage on the Participants Portal the proposal coordinator will be asked to fill in an administrative form with proposal-related information and some declarations (called PART A). In PART B you should submit other documents such as the detailed budget, the description of action including CVs (in one document), a list of previous projects and a list of tools.

Only applications recommended for funding will be requested to send a formal declaration.

Please note that in the electronic submission tool SEP per each of these document categories mentioned above (PART B), only ONE document can be uploaded.

CVs: please make sure that the CVs of all staff considered for the implementation of the project are included in one (1) single document. Please copy-paste the CVs at the end of the template "Technical Annex 1 – Description of the Action" according to the list of partners as presented in your proposals, i.e. start with the CVs of the proposal coordinator, then the 2nd partner, 3rd partner etc. It is recommended to use the Europass CV template. Signatures of CVs are not necessary.

Please make sure that the PART B documents are CONVERTED into PDF before upload (do not print and scan documents).

## 11. AWARD CRITERIA

The award criteria are specified in section 9 "Award criteria" of the call text document.

**1. how important for the European Commission is the multiply effect of the project results?**

*A: Very important, the Call puts emphasis in market uptake or replication, promoting cross-sectoral collaboration, use of design and creative solutions, including by the use of digital technologies. Please also refer to the Award criteria Impact on audience. This award criteria represents 30 points out of 100.*

**12. FINANCIAL PROVISIONS**

**Subcontracting**

**1. What is the difference between subcontracts and implementation contracts?** *A: In order to perform the action/project, beneficiaries can use implementation contracts or subcontracting, respecting the conditions as set up in the Grant Agreement. In case of implementation contracts, tasks are assigned to a unique contractor; in case of subcontracting only part of the tasks are assigned to another party known as a subcontractor (section 11. Financial Provisions / 11.1 e) Implementation contracts/subcontracting).*

**2. In the Budget template, how can we fill in the name of the sub-contractor if the public procedure of selection has to take place beforehand?** *A: It is suggested that you compose your consortium in a way that you can add at a later stage the precise name of the subcontractor (section 11. Financial Provisions / 11.1 e).*

**3. What kinds of contracts awarded by the beneficiaries are eligible: commercial (contracts for marketing plants, communication strategy, etc.), technical, administrative, etc.? Does it exist a budget limit for this kind of costs?** *A: Please refer to the Section 11 point e in the Implementation contracts which states: 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[1] or contracting entities in the meaning of Directive 2004/17/EC[2] shall abide by the applicable national public procurement rules. The beneficiary is expected to clearly document the tendering procedure and retain the documentation for the event of an audit.*

*Sub-contracting, i.e. the externalisation of specific tasks or activities which form part of the action 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.*

**4. A German company wants to apply for a project where a USA-based design office would be a subcontractor (not a consortium member). Is this eligible?** *A: subcontractors are not subject to any eligibility rule. Nevertheless, subcontracting may not be used to circumvent grant rules, in particular eligibility rules.*

*The principle is that subcontracting must be limited ("subcontracting may cover only a limited part of the action"). Once however subcontracting is allowed, there is no boundary condition on the nationality/place of establishment of the subcontractor and/or on the origin of the service. On the contrary, the best value for money principle explains why procurement is normally untied.*

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<sup>[1]</sup> Directive 2004/18/EC of 31 March 2004 on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts (Official Journal of the European Union L 134/114 of 30.04.2004).

<sup>[2]</sup> Directive 2004/17/EC of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors (Official Journal of the European Union L 134/114 of 30.04.2004).

Anyhow, the beneficiary must ensure that

- the subcontractor is justified, having regard to the nature of the action, and
- the subcontractor is selected on the basis of best value for money or the lowest price, and avoiding any conflict of interest.

The beneficiary may be required to proof compliance with these conditions.

**Non-retroactivity: getting started with first steps of the project is urgent - if well explained can this be part of the application or would you see this as non-recommendable, ie. would you always prefer projects to start only after the grant agreement got signed? A: Yes Consortium: in the first phase of the program the German projects which got elected were all consortia. Is there a preference for consortia over single SMEs? A: NO**

### **Income generated by the action**

**1. Can the income generated by the action be part of co-funding? Could we partially rely on the estimated revenues the project will provide in the future and use that as part of our co-funding? A: These incomes generated by the action can be part of co-funding and can be considered as estimated revenues the project will provide in the future.**

**2. In relation to the term: revenues generated by the action, what does it means? A: it means the revenues generated during the project time and by the project activity. could explain what "action" means, grant or project exposure? A: the action means the project you are aiming at to pursuit the aims of this Call and implemented within the timespan of the eligibility period set in this Call. The maximum duration of projects is 33 months. The minimum duration of projects is 12 months. can we start generating revenues to meet 50% of the asking amount before being actually given the grant money or would those revenues be considered as earned and spent retrospectively and thus would be deducted from the grant amount? A: No Finally, in case it means grant, this would mean that we can only generate and spend revenues only after the grant money is given? A: YES only the ones generated after the grant is awarded will be taken into consideration.**

### **Calculation of the final grant amount - Payment arrangements**

**The EC co-funding is 50% of the estimated total costs, which is typically between 800.000 and 1 million. How are the payment arrangements? Is EC co-funding reimbursed at the end of the project?, or distributed during the project?, or do we have to rely on our funding, which will be reimbursed from you after the end of the project? A: Please note that in spite the EC 50% co-funding you have to contribute and rely on your own proportional 50% of co-funding as well. For the payment arrangements refer to section 11 – 'calculation of the final grant amount' and to subsection 11.3 'payment arrangement'. There are 3 instalments foreseen: pre-financing, interim and final payment.**

## **13. SUBMISSION OF PROPOSALS**

### **Call documents:**

#### **1. Please explain how to submit the part B of the proposal.**

*A: The part B is to be found on the PP. It contains two parts: Description of Action and Detailed Budget. In the Description of Action (DoA) please include not only the detailed explanation of the planned actions, but also other requested elements, like CVs. Also in the DoA the call coordinator shall fill in two tables which are at the end of the document: Description of previous projects and activities related to the field of the call from the last 3 (three) years as well as List of tools, equipment, patents which relate to the field of the call. Please note that the submission will*

succeed only if the call coordinator uploads these all parts as one document. This document must be in PDF format.

### **Electronic submission of proposals:**

**1. How shall proposals be submitted?** A: Submission of the proposal will have to be done through an online submission system by the coordinator of the consortium. The access to the tool is provided by the Participants Portal:

The tool will request you to fill 2 parts: Part A (Administrative form) and Part B (upload documents).

**Part A:** The coordinator has to encode

(1) General information - including a short abstract of the proposal and declarations on behalf of the consortium partners;

(2) Administrative data of participating organisations;

(3) Budget for the proposal (per partner: total estimated eligible costs/€ and Requested Grant/€).

**Part B:** The coordinator has to download, fill and upload (as PDF) the following documents:

1. Description of Action (Technical Annex 1), including CVs (Europass format recommended), the list of previous projects and list of tools and patents.

2. Budget template (Technical Annex 2)

**2. Can an organisation with a username and PIC number access the call's e-form and other documents directly?** A: Yes, when you click the link that leads you to the electronic submission set you will be requested to log on. After that, you can start drafting your proposal in the electronic system and upload the relevant documents. If you have not yet registered, you will be required to create an account. Further information on the registration please go to the Participant Portal.

**3. Is there an IT Helpdesk for the submission of proposals?** A: For all questions concerning the registration of your organisation you should get in touch with the Helpdesk of the Participants portal: <http://ec.europa.eu/research/participants/api/contact/index.html>

**5. Shall we already provide supporting documents or submit a consortium agreement?**

A: No, according to section "10. Legal Commitments" of the call, applicants do not have to sign documents at the stage of electronic submission nor to provide supporting documents. If recommended for funding, you might be asked to submit other supporting documents if needed. However, in order to ensure a proper functioning of the consortium, the grant agreement stipulates that all partner organisations conclude a consortium agreement establishing their rights and obligations between all partners involved, but it does not have to be provided at submission stage.

**7. Our consortium organisations do not have online activity reports as requested in the Technical Annex 1 template (Description of Action). What could we provide instead?** A: You could present some basic information (copy/paste), regarding your organisation. The template also suggests to provide the link to your webpage (assuming that your organisation has one). If not submitted at the time of submission, the EASME might ask for separate submission of those files from applicants after the submission deadline.

**8. Do you plan to accept late submission for some documents?** A: As a general rule NO, because only proposals that have been submitted via the SEP tool are accepted by the EASME. The EASME might request completing the file of those applicants where the submission set is not complete. However, please make sure that upon submission the proposal is complete.

**9. Is there a page limit to submit a proposal?** *A: The page limit is set only under the Technical Annex 1 template (Description of Action) under: B.1 Objectives of the Action - Point 1: 'Technical description of the proposed solution, including the state of development' (max 3 pages) and Point 2: 'Overview of the market and relevant framework conditions' (max 2 pages). In the rest of the document there are no limits and the proposal may contain unlimited number of pages. HOWEVER it must be reminded that at the moment of submission this document must be transferred into a PDF file. If the transfer is done via a scan, it might be more advisable to keep the document short and straight to the point.*

**10. We have 1 consortium coordinator and 3 partners, one of these partners will involve 2 affiliated entities. Do affiliated entities need to have a PIC number?** *A: If you have one consortium coordinator (an design based SME), and 3 partner, ALL of them should be registered as partners and have a PIC number, including the affiliated if you want them to be part of the project. Refer to section 6.2 eligible consortia – the profile of each partner must be described in the Description of Action (Technical Annex 1).*