



EUROPEAN COMMISSION  
EXECUTIVE AGENCY FOR SMALL AND MEDIUM-SIZED ENTERPRISES (EASME)

Department A COSME, H2020 SME & EMFF  
COSME

# **COSME Programme Call for Proposals**

**Boosting sustainable tourism development and  
capacity of tourism SMEs through transnational  
cooperation and knowledge transfer**

**COS-TOURCOOP-2019-3-01  
GRO/SME/19/C/077**

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**Questions and Answers**

**Version 4**

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<b>HISTORY OF CHANGES</b>			
<b>Version</b>	<b>Publication Date</b>	<b>Change</b>	<b>Page</b>
4	20.09.2019	<ul style="list-style-type: none"> <li>▪ New questions and answers added:               <ul style="list-style-type: none"> <li>- New Questions (and Answers) when compared to previous versions are highlighted in yellow.</li> <li>- Corrected/ updated answers/ additional information is highlighted in blue.</li> </ul> </li> </ul>	4-6, 9, 11-13, 15, 16
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## A. GENERAL

### **A.1 What is the definition of tourism SME to be supported via financial support under this call for proposal?**

Section 12.1f) Financial support to third parties defines tourism SMEs for the purpose of this call for proposals. Please refer to the text of the Call for the precise definition of an SME and of the categories of tourism industries concerned.

### **A.2 Will there be a webinar or information session on this call for proposals?**

No.

### **A.3 Could you please specify where to find the application form with the questions we need to answer?**

Please refer to the templates for different parts of an application form under 'Documents' on [the call's EASME website](#) or to the [Proposal template \(including annexes\)](#) on Funding & tender opportunities portal.

### **A.4 I am tourism expert and I believe that my expertise may greatly contribute to the program and I am wondering who is the hosting institution in country XXX and how do I apply as a tourism expert?**

It is unclear what is meant by 'hosting institution' but you may wish to contact your nearest [Enterprise Europe Network \(EEN\)](#) office for additional help concerning the application process. Please also refer particularly to the Call's Eligibility Criteria (Section 6) and Operational Capacity (Section 8.2) to gauge whether you are eligible to participate. You may also use the [Partner search](#) functionality on Funding & tender opportunities portal.

### **A.5 I have an online business XXX in the tourism sector and I think that this call for proposals could match my activities. Can I apply for the call and if so, who could guide me through the application process?**

The information on the application process is described in the text of the Call for proposals and in its annexes. Please note that the Executive Agency services cannot, for reasons of equal treatment, neither assess proposals/applicants at this stage nor help to draft proposals. You may wish, however, to refer particularly to the Call's Eligibility Criteria (Section 6) and may also wish to contact your nearest [Enterprise Europe Network \(EEN\)](#) office for additional help concerning the application process.

Please also refer to Question **A.4**.

### **A.6 Do you expect similar, tourism-focused COSME calls in 2020? If you do not know yet, could you say something about when you expect this would be decided?**

The forthcoming calls for proposals are set in the COSME annual work programme which is usually adopted by the end of the previous year. This means by the end of 2019 for the COSME work programme 2020.

**A.7 Could you please tell us if we need to sign a Mandate with Project partners?**

It is not clear what you mean by ‘Mandate’. If you mean a consortium agreement, it is in applicants’ interest to sign it with the consortium partners. However, we do not require this document at the application stage.

**A.8 Where could I get the applicant's guide in Spanish?**

The Guide for Applicants is only available in English – it forms part of the documents that were published alongside the Call (<https://ec.europa.eu/easme/en/section/cosme/cos-tourcoop-2019-3-01-boosting-sustainable-tourism-development>).

**A.9 I am a Romanian resident, where can I find a link for a Romanian language version of the Call for Proposals?**

The Call for Proposals is only available in English.

**A.10 We are a Spanish firm that supports businesses and public administrations in developing smart, sustainable, inclusive tourism. As regards the Call requirement: "At least one partner in the consortium must be a business support organisation", what do you mean by "a business support organisation"? Are private businesses included as “a business support organisation”, or are you referring rather to public entities or NGOs whose purpose is supporting businesses for free or at a reduced cost?**

Please refer particularly to Section 8.2 of the Call, where examples are provided of what constitutes a business support organisation having a proven capacity and experience in running business support activities concerning SMEs.

**A.11 I cannot find the call documents on your web site. It is very unclear. Is there an offline application form which you need to complete for the narrative, budget, etc. ?**

You can download the required documents once you access the submission tool. Click ‘Start Submission’ accordingly.

**A.12 What is meant by consortium? What are the requirements for consortium members? What is the procedure for registration of participants and the consortium?**

Please be guided particularly by Sections 2, 6, 8 and 16. A consortium relates to the gathering of partners – different legal persons – to participate in the Call, as indicated notably within Section 6.2.

**A.13 Is there a Consortium Agreement Form? How should the consortium be registered? Should it be registered on a contractual basis under local law?**

Please refer to Questions A.7 and A.12 with references to the relevant parts of the Call text.

At this application stage, there is no template for 'Consortium Agreement Form' and no such document is required to be submitted in the application. There are no specific requirements on the consortium being registered under local law at the application stage.

**A.14 Can the third parties (tourism SMEs) which will be financed by a proposal create a consortium (2-3 SMEs) to submit their idea?**

Applicants are expected to propose a methodology for the selection of SMEs participating in the support scheme in their proposals. Among others, such methodology must be compliant and take into account the provisions set in the Call text, in particular Section 12.2, paying due attention to meeting the requirements regarding the financial support to third parties, and in the Guidelines for Awarding Financial Support to Third Parties (Tourism SMEs).

**A.15 We are XXX national association having X chambers of commerce as members and we wish to apply as partner for this call for proposals. However, since the association has no employees, but uses the human resources of the individual chambers of commerce, depending on the activities to be carried out (as coordinators of individual thematic areas), can the association be formally included in the transnational consortium?**

**In this case, even if our association is the recipient of the co-financing budget, who will be the beneficiaries of the dedicated budget line, considering the engagement of human resources employed by the individual chambers of commerce, which will be appointed to work for the project proposal ?**

**Does the association need to consider the individual chambers of commerce as sub-contractors, in order to carry out the tasks?**

Please note that the Executive Agency services cannot, for reasons of equal treatment, neither assess proposals at this stage nor help to draft proposals, including advice on the consortium composition. Assessing the proposal – including its eligibility - is the exclusive competence of an appointed evaluation committee.

The onus is on the applicants to demonstrate that they fully respect the requirements set in the call, also by submitting any supporting scanned document you consider useful in order to allow the evaluation committee to have enough information to assess the fulfilment of the eligibility criteria.

In the context of your question, please refer in detail to the following:

- Eligibility criteria, including the rules on linked third parties, in Section 6 of the Call,
- Section 12.2 of the Call on Eligible costs and part A. Direct personnel costs,
- Rules on subcontracting set in Section 12.1e) of the Call for proposals and in Articles 10 and 20 of the Model Grant Agreement.

**A.16 In the Consortium, we will involve as partners some associations of SMEs that are at the same time Business Support Organisations. These organisations will be carrying out the actions related to providing financial support for capacity building in sustainable tourism to the selected tourism SMEs. Could**

**one or more of the SMEs belonging to the associations be selected to be provided with the financial support within the frame of the project? Or should the selection be made among other SMEs not linked to the associations of SMEs that are partners in the project?**

Beneficiaries are encouraged to follow the Guidelines for Awarding Financial Support to Third Parties (Tourism SMEs), provided in one of the Call Annexes, when proposing a methodology for the selection of SMEs participating in the support scheme. During implementation, projects must publish widely their open calls and respect principles of transparency, equal treatment, conflict of interest and confidentiality. For these calls for applications, beneficiaries should follow the basic principles identified in Section 1 Introduction of the Guidelines for Awarding Financial Support to Third Parties (Tourism SMEs).

In the context of your question, the onus is on the applicant to demonstrate that its proposed methodology for selecting the SMEs for the financial support is in line with the principles mentioned above.

## **B. ADMISSIBILITY REQUIREMENTS, ELIGIBILITY, EXCLUSION AND SELECTION CRITERIA**

**B.1 Can we submit a proposal for this call if we have submitted a proposal for another call funded by the COSME programme?**

Yes, it is possible for the same organisation to be partner in more than one call under the COSME programme.

**B.2 May one legal entity participate (be partner) in more than one proposal under this call for proposals?**

Yes, provided that, for instance, the operational capacity requirements (Section 8.2) are met.

**B.3 We are wondering which partner to appoint as lead partner (coordinating organisation). Are there any specific requirements for the lead partner (coordinating organisation) in difference to a (simple) partner?**

There are no specific eligibility requirements for the lead partner (coordinating organisation).

Please refer also to section 8.2 (b) Operational capacity on requirements regarding the team primarily responsible for managing and implementing proposed action. This team must include a project manager/coordinator, with the profile as set in Section 8.2 (b), who must be directly linked to the lead partner (coordinating organisation).

**B.4 In what language shall we submit the proposal?**

Section 5 of the Call indicates that applications must be drafted in one of the EU official languages. The applicant may include a translation of important supporting

documents (such as Technical Annex 1 – Section A: Project Summary) in English. If the application is successful, English will be used as the working language in the Grant Agreement preparation and project implementation phase.

**B.5 Where can I find the declaration on honour on exclusion criteria? Section 7.4 states: ‘Applicants and linked third parties must all provide a declaration on their honour certifying that they are not in one of the situations referred to in Articles 136(1) and 141 of the EU Financial Regulation (FR)<sup>1</sup>, by filling in the relevant form attached to the application form accompanying this call for proposals’.**

There is no template of declaration on honour as such in the application stage. The online submission form require the applicant to tick relevant fields in order to confirm that the applicants are not in any situation of exclusion and that they meet the eligibility and selection criteria. Such declaration is made by the coordinator on behalf of all the partners involved in the consortium. You may check the [Proposal template \(including annexes\)](#) on Funding & tender opportunities portal for the text of the declaration the applicants are required to confirm.

**B.6 Is it necessary to sign any of the documents being part of the application form?**

No, no hand-written signed documents are required at the application stage.

**B.7 In the section 6.1 Eligible Applicants, the list includes ‘private and profit-making entities including micro, small and medium sized enterprises (SMEs) active in tourism and business support’. Could you kindly clarify whether entities active in business support only (i.e. incubators/accelerators) are eligible although they do not have specific experience in tourism?**

The list of types of legal persons which may apply in Section 6.1 is non-exhaustive.

Please also refer to Section 8.2 Operational capacity which defines requirements relevant to the applicant (8.2 (a)) and to the team primarily responsible for managing and implementing the proposed action (8.2 (b)). The first defines requirements for the business support organisation. The second requires specific experience in tourism within the consortium team.

**B.8 On p.10 (Section 2.3 Eligible activities) the document makes reference to the consortia requiring a minimum of 3 eligible countries, but on p.15 (Section 6.2 Eligible consortia) it says 5 eligible countries. Can you please confirm which is correct?**

The two sections that you refer to set the requirements on geographical coverage for two different elements. Section 2.3 Eligible activities refers to the countries of

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<sup>1</sup> See Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012, (OJ L 193/30.07.2018, p.1).

establishment of the third parties (tourism SMEs) which are to be financially supported under this action by the beneficiaries. Section 6.2 Eligible consortia refers to the countries of establishment of the applicants. Therefore, both statements are correct. The partners within one consortium (applicants) must come from at least 5 eligible countries and they must include in their proposal the financial support to third parties (tourism SMEs) from at least 3 eligible countries. The supported tourism SMEs may be established in different eligible countries from those in which the partners forming the consortium are established.

**B.9 The application form includes in Section A the question ‘Specify the countries from which the tourism SME’s benefiting from financial support originate (minimum of three eligible countries...)...’. On the other hand, the table in A.1 asks for participants from at least 5 countries. If we were picking a minimum of 3 countries then the beneficiaries will be for a minimum of 3 countries?**

Please refer to question B.8. You confuse two different requirements. The partners within one consortium (applicants) must come from at least 5 eligible countries and they must include in their proposal the financial support to third parties (tourism SMEs) from at least 3 eligible countries. Having partners in consortium from less than 5 countries will result in your application being rejected for non-eligibility.

**B.10 Where can I find the list of eligible countries for this call for proposals?**

Please refer to Section 6.1 Eligible applicants. To consider applications eligible, applicants must be established in EU Member States or in the countries participating in the COSME programme pursuant to Article 6 of the COSME Regulation.

The following groups of countries are eligible for participation in COSME according to Article 6 COSME Regulation:

- 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.

The updated list of eligible third countries is available on the following webpage: <https://ec.europa.eu/docsroom/documents/34263>. Proposals from applicants in

Article 6 countries may be selected provided that, on the date of award, agreements have been signed setting out the arrangements for the participation of those countries in the programme.

**B.11 In the [list of eligible third countries](#), it is written:**

- ‘Armenia signed the International Agreement on 10 December 2015 which entered into force on 29 December 2015. Armenia does not participate in the COSME financial instruments.’
- ‘Ukraine signed the International Agreement on 4 May 2016 which entered into force on 21 March 2017. Ukraine does not participate in the COSME financial instruments.’
- ‘Moldova signed the International Agreement on 29 September 2014 which entered into force on 7 April 2015. Moldova does not participate in the COSME financial instruments.’

Are Armenia, Ukraine and Moldova eligible countries to participate in this particular call for proposals?

This call for proposals does not come under COSME financial instruments. Consequently, Armenia as well as Ukraine and Moldova are eligible countries for this call for proposals.

**B.12 Are the European Neighbourhood countries eligible for this call for proposals? Are Lebanon and Jordan eligible?**

Please check Question B.10 and <https://ec.europa.eu/docsroom/documents/34263>. No formal expression of interest to join COSME has been received from any of the southern neighbourhood countries, including Lebanon and Jordan.

**B.13 Is it permitted for a partner in a project to be a subcontractor to another partner?**

Subcontracting, amongst others, requires the respect of public procurement procedures and the absence of conflict of interest. In this regard, please refer to Section 12.1e) of the Call for proposals and to Articles 10 and 20 of the Model Grant Agreement for additional guidance accordingly.

**B.14 Can XXXXXX Regional Council of Ukraine - being a local government institution - be an Applicant in this Call? If so, what is required in order to apply with a project proposal?**

Please note that the Executive Agency services cannot, for reasons of equal treatment, neither assess proposals at this stage nor help to draft proposals. Assessing the proposal – including its eligibility - is the exclusive competence of an appointed evaluation committee.

The onus is on the applicants to demonstrate that they fully respect the requirements set in the call, also by submitting any supporting scanned document you consider useful in order to allow the evaluation committee to have enough information to assess the fulfilment of the eligibility criteria.

In the context of your question, please be guided particularly by the eligibility criteria for applicants that are set out in Section 6 of the call for proposals, besides Sections 2, 8 and 16.

**B.15 Is a Georgian Chamber of Commerce and Industry eligible to apply?**

The updated list of eligible third countries is available on the following webpage: <https://ec.europa.eu/docsroom/documents/34263>. Georgian partners do not qualify for an EU Grant.

**B.16 Are restaurants eligible as tourism SMEs in the current call? Restaurants are among the highest resource-consuming SMEs within the tourism sector and part of very wide value chain. Therefore, we think that the application of sustainable, low-carbon and resource-efficient business models in restaurants could have extensive added value.**

For the purposes of this Call, tourism SMEs supported must fall under the selected categories of tourism industries as indicated in Section 12.1f).

**B.17 We are a winery that organizes several wine tasting for international tourists. We work with many international tour operators. Do you think that we could be one of the 5 partners and also invite 4 international tour operator to participate?**

Please note that the Executive Agency services cannot, for reasons of equal treatment, neither assess proposals at this stage nor help to draft proposals. Assessing the proposal – including its eligibility - is the exclusive competence of an appointed evaluation committee.

The onus is on the applicants to demonstrate that they fully respect the requirements set in the call, also by submitting any supporting scanned document you consider useful in order to allow the evaluation committee to have enough information to assess the fulfilment of the eligibility criteria.

In the context of your question, please be guided particularly by the eligibility criteria for applicants that are set out in Section 6 of the call for proposals. Eligible applicants must be fully or partly public or private bodies; private bodies must be properly constituted and registered under national law. Applicants must be legal persons forming a consortium.

**B.18 For the financial support concerning third parties (tourism SMEs) that a consortium will include in its proposal, it is indicated that the SMEs must be established from at least 3 eligible countries. We would like to include African beneficiaries since we have established a solid experience in solidarity tourism, is this permissible?**

Please be guided particularly by the eligibility criteria for applicants that are set out in Section 6 of the call for proposals. Of particular relevance is the part where the Call specifies that “only applications from legal entities established in the following countries are eligible:

- EU Member States;
- countries participating in the COSME programme pursuant to Article 6 of the COSME Regulation”.

**B.19 Can Private Entrepreneurs participate in this Call for proposals? What specific documents should be provided for registration for a Private Entrepreneur?**

Please refer to Section 6 Eligibility criteria, in particular to Sections 6.1 Eligible applicants and 6.2 Eligible consortia, which set the requirements for applicants. Amongst others, the text stipulates that eligible applicants must be fully or partly public or private bodies; private bodies must be properly constituted and registered under national law. Applicants must be legal persons forming a consortium.

The registration process of participants is described in Section II.3 of the [Guide for Applicants](#).

**B.20 Can companies from the USA, Norway and Canada participate as partners in this call for proposals?**

Please refer to Question B.10. Companies from these countries are not eligible.

**B.21 Are there any requirements or limits on age (in terms of years since their establishment) for participating companies?**

If you mean partners (applicants), please refer to Sections 6 and 8 of the Call. There are some requirements on applicants in terms of years of specific experience set in Section 8.2 Operational capacity.

If you mean the third parties (tourism SMEs) which are to be supported financially, please refer to Sections 2, 12.1f) and 12.2. There is no such requirements for third parties (tourism SMEs) defined in this Call.

**B.22 Do tourism entities such as museums, parks, architectural monuments, buildings and attractions enter the concept of third parties for the financial support under this Call for proposals?**

For the purposes of this Call, tourism SMEs supported must fall under the selected categories of tourism industries as indicated in Section 12.1f).

**B.23 Can state enterprises with 60 participants such as museums be involved?**

If you mean their involvement as partners (applicants), please refer to requirements in Sections 6 and 8 of the Call. The Executive Agency services cannot, for reasons of equal treatment, assess eligibility of applicants at this stage. Assessing the proposal – including its eligibility - is the exclusive competence of an appointed evaluation committee.

If you mean their involvement as third parties (tourism SMEs) which are to be supported financially, please refer to Question **B.22B.23** and to the requirements on third parties (tourism SMEs) in Section 12.1f) of the Call. Applicants shall not identify these SMEs at application stage as their selection will be done during the co-financing period. The tourism SMEs will be selected by beneficiaries (successful applicants of this call for proposals) via a call for applications, only during the grant implementation.

#### **B.24 Can Chambers of Commerce be considered accelerators or incubators?**

Section 8.2 of the Call stipulates that for the purpose of this call for proposals, a business incubator/accelerator is defined as an organisation designed to accelerate the growth and success of SMEs through an array of business support resources and services that could include: physical space, capital, coaching, common services and networking connections.

Please note that the Executive Agency services cannot, for reasons of equal treatment, neither assess proposals at this stage nor help to draft proposals. Assessing the proposal – including its eligibility - is the exclusive competence of an appointed evaluation committee.

The onus is on the applicants to demonstrate that they fully respect the requirements set in the call, also by submitting any supporting scanned document you consider useful in order to allow the evaluation committee to have enough information to assess the fulfilment of the relevant criteria.

#### **B.25 We are State Enterprise XXX from Ukraine, an IT based company that developed a transparent electronic trading system for the government to auction off its assets. We believe that the system can be extended to the tourism sector in Ukraine. Are we eligible to participate in this Call for proposals?**

Please note that the Executive Agency services cannot, for reasons of equal treatment, neither assess proposals at this stage nor help to draft proposals. Assessing the proposal – including its eligibility - is the exclusive competence of an appointed evaluation committee.

The onus is on the applicants to demonstrate that they fully respect the requirements set in the call, also by submitting any supporting scanned document you consider useful in order to allow the evaluation committee to have enough information to assess the fulfilment of the relevant criteria.

In the context of your question, please be guided particularly by the eligibility criteria for applicants that are set out in Section 6 and by the operational capacity criteria set out in Section 8.2 of the Call for proposals.

Please refer also to Question **B.11** regarding eligibility of entities from Ukraine.

#### **B.26 I am looking to start an eco-friendly hostel in the EU and am looking for funding help. Am I eligible for this call for proposals?**

Please note that the Executive Agency services cannot, for reasons of equal treatment, neither assess proposals at this stage nor help to draft proposals. Assessing

the proposal – including its eligibility - is the exclusive competence of an appointed evaluation committee.

In the context of your question, if you mean your eligibility as applicant, please be guided particularly by the eligibility criteria for applicants that are set out in Section 6 of the Call, besides Sections 2, 8 and 16. Eligible applicants must be fully or partly public or private bodies; private bodies must be properly constituted and registered under national law.

If you mean your involvement as third party (tourism SME) which is to be supported financially, please refer to Question **B.22** and to the requirements on third parties (tourism SMEs) in Section 12.1f) of the Call. Applicants shall not identify these SMEs at application stage as their selection will be done during the co-financing period. The tourism SMEs will be selected by beneficiaries (successful applicants of this call for proposals) via a call for applications.

**B.27 As an RTO (Research and Technology Organisation) focused on Energy, one of our objectives is the knowledge and technology transfer of our innovations towards companies. However, RTOs are not listed specifically among the eligible applicants in Section 8.2 Operational capacity, only “research centres active in tourism and business support” are. The main difference is that research centres generally work at lower technology readiness levels (TRLs 1-4), while RTOs work at medium ones (TRLs 3-6), being therefore closer to private scale-up and market exploitation. Are RTOs encouraged to participate in this call for proposals? Is there any contact point that could help us focus our project idea to what COSME expects?**

Please note that the Executive Agency services cannot, for reasons of equal treatment, neither assess proposals at this stage nor help to draft proposals. Assessing the proposal – including its eligibility - is the exclusive competence of an appointed evaluation committee.

In the context of your question, please note that the text in Section 8.2 you refer to does not include an exhaustive list of types of business support organisations. The onus is on the applicants to demonstrate that they have the operational capacity necessary to complete the proposed action and that they comply with the criteria set in the Call. Besides, please be guided specifically by Sections 6.1, 6.2 and 8.2 to find further information about eligibility of applicants and to Section 2 for further information on eligible activities under this call for proposals.

For assistance with the application and proposal drafting, you may wish to consult our replies to Questions **A.4** and **A.5**.

## C. FINANCIAL PROVISIONS

**C.1 Could you confirm that the EUR 1 000 000 threshold refers to the EU contribution and, therefore, a total budget could exceed such amount?**

As indicated in Section 4 of the Call, EUR 1 000 000 is the maximum EU grant per project. Total eligible costs need to be higher, given that the grant is limited to a maximum reimbursement rate of 75% of eligible costs.

**C.2 If the project product is sold and generates income during the project period, is the overall funding amount for the project diminished in proportion to the profit made from the products?**

Please refer to the end paragraph of Section 12.2 of the Call specifications, specifically: ‘EU grants may not have the purpose or effect of producing a profit within the framework of the action. Profit shall be defined as a surplus, calculated at the payment of the balance, of receipts over the eligible costs of the action, where receipts are limited to the Union grant and the revenue generated by that action. 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.’

**C.3 According to Section 12.2 Funding forms, applicants are expected to include in their proposals the financial support to third parties (tourism SMEs) of maximum EUR 600 000. In practice, at which co-financing rate will the EU reimburse this financial support during the implementation of the action?**

The financial support to third parties (tourism SMEs) has a specific category under eligible costs. It comes under the category ‘C. Direct costs of providing financial support to third parties’. The co-financing rate, being the EU contribution to financial support to third parties (tourism SMEs), is 75% of the support allocated by the consortium to third parties. Consequently, part of the financial support to third parties must be financed from sources other than the EU grant (see section 12.1c).

**C.4 I would like to know if the support to the third parties cannot exceed 600 000 euros, and if this means that there is 400 000 euros for the consortium? You also say that 2 people are necessary to provide at the beginning, shall they have to be paid also?**

As specified in Sections 4 and 12.2 of the Call, the maximum grant per project will be EUR 1 000 000 and the maximum amount of financial support to be granted in total to the third parties (tourism SMEs) cannot exceed EUR 600,000. If the 2 people you indicate in your question refer to the Project Manager/Coordinator and Tourism Expert mentioned under Section 8.2, please note that these are eligible costs.

Please also refer to Questions/Answers C.1 and C. 3 above.

**C.5 Could the 25% own funding for the support to third parties (tourism SMEs) come from the tourism SMEs themselves? Could the project consortium reimburse tourism SMEs up to 75% of their eligible costs and the tourism SME itself contribute the remaining 25% to comply with the co-financing requirement?**

EASME will sign grant agreements in the framework of this Call with the consortium, not with the tourism SMEs. The onus is on the consortium to find the

remaining 25% and in this regard, Section 12.1c) of the Call provides guidance on co-financing accordingly. Please note that co-financing may take the form of:

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

As for financial support to the tourism SMEs, the grant reimburses up to 75% of the support allocated by the consortium to third parties (the tourism SMEs in this case) and the consortium is free to choose the form of financial support to third parties and how the amount is allocated (refer to Section 12.2).

Please be aware that in order for costs to be considered eligible, such costs must be incurred by the beneficiary. At the moment of cost declaration related to the financial support provided to third parties under this grant agreement, the consortium will thereafter declare to EASME such costs and out of this amount, the grant reimburses up to 75%.

Should the consortium actually receive any financial contribution from tourism SMEs or from any other third party specifically to be used for costs that are eligible under the action, such contributions must be declared and the provisions concerning the category of “receipts” as defined in Section 12.2 of the Call will apply.

**C.6 I have a question about the funding form. In the Call text there is the maximum grant of EUR 1 000 000 with a 75%-reimbursement rate. Does this mean that a proposal will receive a maximum of EUR 750 000 from the COSME programme with the remaining EUR 250 000 to be covered by the partnership? Or will the COSME programme cover EUR 1 000 000 with EUR 250 000 to be covered by the partnership with a total amount of EUR 1 250 000?**

Please refer to Question C.1. The maximum grant per project from the COSME programme will be EUR 1 000 000, which is equal to the maximum reimbursement rate of 75% of total eligible costs.

If the total amount of eligible costs is EUR 1 000 000, the COSME will cover EUR 750 000 and the consortium shall co-finance the remaining EUR 250 000. If the total amount of eligible costs is EUR 1 250 000, the COSME programme will finance maximum EUR 937 500 (equal to 75 % of EUR 1 250 000) as 937 500 euros is lower than the maximum grant amount (EUR 1 000 000).

**C.7 We would like to submit a project aiming to develop the effectiveness and efficiency of SMEs of culinary sector in five countries. Are the personnel costs for project manager, project assistant and financial staff who are already working for the institution which proposes and will implement the project eligible?**

Please refer to Question B.16 and Section 12.1f) of the Call for the tourism SMEs eligible for the financial support in this Call for proposals.

For the personnel costs, please refer to Section 12.2 of the Call, in particular to the text relevant to the Eligible costs and part A. Direct personnel costs.

**C.8 In section 12.2, it states under c) that co-financing can stem from 'beneficiary's own resources'. Can this be 'benefit in kind' i.e. cost incurred for providing support to selected SMEs, or does it have to be a cash contribution (direct financial support) to the SME?**

Please refer to Section 2.3 Eligible Activities of the Call. Applicants will need to, amongst other activities, provide financial support to third parties (tourism SMEs) as specified in Section 12.2 of the Call. Providing financial support (cash/money contribution) to the SMEs is, therefore, understood as a mandatory requirement. The Call for Proposals targets financial support to third parties (tourism SMEs) alongside the co-financing of other actions, which fall under the transnational and cross-sectoral support schemes, as further detailed in the text of Section 2.3 of the Call.

**C.9 Could you please clarify whether 'receipts' i.e. generation of income from other sources than the consortium partners is an obligatory requirement for all proposals? Are consortia who cannot propose at this stage additional income automatically eliminated from the evaluation process?**

Co-financing may take different forms, as set in Section 12.1c) of the Call and applicants may choose from them. Income generated by the action is one of these forms, but it is not obligatory. Applicants shall also ensure to be compliant with Section 12.1d) Balanced budget of the Call.

**C.10 For the 25% co-financing of the financial support to third parties (tourism SMEs), could this come from the tourism SME itself contributing in kind through staff time and overheads?**

Please refer to Section 12.1c) which applies to in-kind 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 or to the consortium. The corresponding costs of third parties are not eligible under the grant, e.g. providing a meeting room or equipment for free, etc. In-kind contributions shall be presented separately in the estimated budget to reflect the total resources allocated to the action. Their approximate value shall be indicated in the estimated budget and shall not be subject to subsequent changes.

In-kind contributions from third parties, for example staff time or overheads, may be considered as co-financing of the grant. However, the corresponding costs of third parties, for example, staff costs or costs related to overheads, will be ineligible under the grant.