



# Single Market Programme (SMP COSME)

## Call for proposals

Social economy and local green deals supporting SMEs  
to become more resilient  
(SMP-COSME-2021-RESILIENCE)

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## EUROPEAN INNOVATION COUNCIL AND SMEs EXECUTIVE AGENCY (EISMEA)

Department I – Innovation ecosystems, SMP / Entrepreneurship and Consumers  
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### CALL FOR PROPOSALS

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## 0. Introduction

This is a call for proposals for EU **action grants** in the field of improving the competitiveness of enterprises, particularly SMEs, and supporting their access to market under the Competitiveness of Enterprises and SMEs part of the **Single Market Programme (SMP COSME)**.

The regulatory framework for this EU Funding Programme is set out in:

- Regulation 2018/1046 ([EU Financial Regulation](#))
- the basic act (SMP Regulation [2021/690](#)<sup>1</sup>).

The call is launched in accordance with the 2021 Work Programme<sup>2</sup> and will be managed by the **European Innovation Council and SMEs Executive Agency (EISMEA)** ('Agency').

The call covers the following **topics**:

- **1. SMP-COSME-2021-RESILIENCE-LGD - Local Green Deals**
- **2. SMP-COSME-2021-RESILIENCE-SEM - Social Economy Missions for community resilience**

Each project application under the call must address only one of these topics. Applicants may not participate in several proposals under the same topic with the exception of network or umbrella organisations entitled to participate in more than one proposal under the same topic.

We invite you to read the **call documentation** carefully, and in particular this Call Document, the Model Grant Agreement, the [EU Funding & Tenders Portal Online Manual](#) and the [EU Grants AGA — Annotated Grant Agreement](#).

These documents provide clarifications and answers to questions you may have when preparing your application:

- the [Call Document](#) outlines the:
  - background, objectives, scope, activities that can be funded and the expected results (sections 1 and 2)
  - timetable and available budget (sections 3 and 4)
  - admissibility and eligibility conditions (including mandatory documents sections 5 and 6);
  - criteria for financial and operational capacity and exclusion (section 7)
  - evaluation and award procedure (section 8)
  - award criteria (section 9)
  - legal and financial set-up of the Grant Agreements (section 10)
  - how to submit an application (section 11)
- the [Online Manual](#) outlines the:
  - procedures to register and submit proposals online via the EU Funding & Tenders Portal ('Portal')

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<sup>1</sup> [Regulation \(EU\) 2021/690](#) of the European Parliament and of the Council of 28 April 2021 establishing a programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics (Single Market Programme) (OJ L 153, 3.5.2021, p. 1-47).

<sup>2</sup> [Commission Implementing Decision C\(2021\) 3046 final of 06 May 2021](#) concerning the adoption of the work programme for 2021-2024 and the financing decision for the implementation of the Single Market Programme- Annex 2 COSME Pillar.

- recommendations for the preparation of the application
- the AGA — Annotated Grant Agreement contains:
  - detailed annotations on all the provisions in the Grant Agreement you will have to sign in order to obtain the grant (*including cost eligibility, payment schedule, accessory obligations, etc.*).

You are also encouraged to visit the [EISMEA](#) website to consult the list of projects funded previously.

## 1. Background

The COVID-19 crisis caused 6.3% contraction in the EU economy in 2020 accompanied by major turnover losses and a decline in jobs and investment. The European Commission published an update of the EU's industrial strategy on 5 May 2021<sup>3</sup> to learn the lessons of the crisis, strengthen our economic resilience and accelerate the twin green and digital transitions while preserving and creating jobs. The EU's immediate opportunity to support businesses and local communities lies in its recovery efforts. The EU Budget 2021-2027 and NextGenerationEU, and notably the Recovery and Resilience Facility, should be used as a springboard to speed up the recovery in Europe and accelerate the green and digital transition in different industrial ecosystems and economic sectors.<sup>4</sup>

The updated EU Industrial Strategy will help to drive the transformation to a more sustainable, digital, resilient and competitive economy. One among the 14 key industrial ecosystems identified is "Proximity, social economy and civil security"<sup>5</sup>, estimated at 6.54% of EU GDP. This ecosystem contributes directly to local prosperity and well-being of citizens, where they provide essential production, services and revenues. Enterprises in this ecosystem improve resilience by reinforcing local value chains and promote citizens' engagement within their community and in response to local needs. Replication and knowledge sharing through 'decentralised' business models is the manner they scale in a 'design global, produce local' fashion.

To make this ecosystem recover and to accompany its enterprises on green and digital transition, regional and local authorities are key, as they shape strategies, drive and manage public and private investments closer to the ground.

This call for proposals is launched under the Single Market Programme. The Single Market Programme has among its specific objectives to strengthen the competitiveness and sustainability of SMEs and achieve added value at Union level through:

- providing various forms of support to SMEs thereby fostering the growth, scale-up and creation of SMEs;
- facilitating access to markets including the internationalisation of SMEs;
- promoting entrepreneurship and entrepreneurial skills;
- promoting a favourable business environment for SMEs, support digital transformation and promote new business opportunities for SMEs, including for social economy enterprises and those with innovative business models;
- supporting the competitiveness of industrial ecosystems and sectors as well as the development of industrial value chains;

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<sup>3</sup> [European Industrial Strategy](#)

<sup>4</sup> At least 37% of funding should be dedicated to green investments and at least 20% is dedicated to digitalisation.

<sup>5</sup> [Annual Single Market Report](#) Pages 153-157

- promoting the modernisation of industry, contributing to a green, digital and resilient economy.

Building on the experience and previous work with two communities gathering local and regional authorities from across Europe, Intelligent Cities Challenge<sup>6</sup> and European Social Economy Regions (ESER)<sup>7</sup>, this call for proposals will foster cross-city, transnational and interregional cooperation to reinforce the green transition of local SMEs through local green deals and support the local social economy ecosystems, in particular SMEs. To build up coherent actions at local level, an enhanced transnational and inter-regional cooperation is needed, to build capacity of all regions and cities across the EU. This cooperation will inspire the development and implementation of local solutions (being Local Green Deals or Social economy thematic local actions plans) paving the concrete way towards more resilient local economies and communities.

The overall aim of this call for proposals is to build partnerships across regions and cities that will boost territorial resilience and re-design of economic growth through citizen's empowerment, cities/local authorities' involvement, local businesses and social economy enterprises participation. In particular, this call for proposals will contribute to building resilience of proximity economy under topic 1 (Local Green Deals) and of social economy under topic 2 (Social Economy Missions for community resilience).

## **2. Objectives — Themes and priorities — Activities that can be funded — Expected impact**

### **2.1 SMP-COSME-2021-RESILIENCE-LGD - Local Green Deals**

#### Objectives

In order to contribute to the European Green Deal objectives of climate-neutrality, sustainability, prosperity and inclusiveness and in parallel develop more sustainable regional or local strategies and resilient business models, SMEs and companies will have to undergo a rapid and radical transformation and come up with creative, sustainable and collaborative solutions. The general objective of this topic is to provide support to SMEs, regional and local economic operators to lead the twin green and digital transition and implement actions aiming to direct the local economy towards a sustainable and inclusive pathway, create new jobs, mitigate the socio-economic impact of the COVID-19 crisis and accelerate a new, green and fairer recovery.

To achieve this, this call topic will support projects that boost transnational and cross border cooperation among local administrations and local businesses to co-create, co-design and deliver Local Green Deals (LGDs). The local green deals must be in line with the overarching objectives and specific targets established by relevant EU strategies, namely: the European Green Deal<sup>8</sup>, the EU Industrial Strategy<sup>9</sup> (that also supports the transition towards more sustainable industrial systems, cleaner technologies, less polluting business models and consumption habits), the Strategy on Adaptation to Climate Change<sup>10</sup>, the Renovation Wave for Europe Strategy<sup>11</sup>, the New

<sup>6</sup> The 100 Intelligent Cities Challenge (ICC) helps EU cities leverage cutting edge technologies in their local economies to lead a green and digital recovery and social resilience. It helps cities to "build back better", to improve the quality of life and create new opportunities for their businesses. More info: [https://ec.europa.eu/growth/industry/policy/advanced-technologies/intelligent-city-ecosystems\\_en](https://ec.europa.eu/growth/industry/policy/advanced-technologies/intelligent-city-ecosystems_en)

<sup>7</sup> [European Social Economy Regions](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en)

<sup>8</sup> [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en)

<sup>9</sup> [https://ec.europa.eu/info/strategy/priorities-2019-2024/europe-fit-digital-age/european-industrial-strategy\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/europe-fit-digital-age/european-industrial-strategy_en)

<sup>10</sup> [https://ec.europa.eu/clima/policies/adaptation/what\\_en](https://ec.europa.eu/clima/policies/adaptation/what_en)

<sup>11</sup> [https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/renovation-wave\\_en](https://ec.europa.eu/energy/topics/energy-efficiency/energy-efficient-buildings/renovation-wave_en)

European Bauhaus<sup>12</sup>, the European Climate Pact<sup>13</sup>, the Farm to Fork Strategy<sup>14</sup> and the 2030 Climate Target plan<sup>15</sup>.

The specific objectives to be achieved through this call for proposals for topic “Local Green Deals” are the following:

- Supporting transnational and cross-city cooperation, exchange of good practices, collaborative business models between industry, SMEs and other economic operators, mapping of existing examples and opportunities in the local green deals development and implementation;
- Supporting learning between the project partners and co-creation of sustainable, smart and inclusive practices and solutions for the most pressing urban and local challenges related to the green transition of the local economy.
- Supporting local administrations, industry, business and other local stakeholders in the development and implementation of Local Green Deals, as part of transnational and cross-city cooperation. These local agreements (“deals”) between stakeholders to cooperate, must clearly identify the key actions that each stakeholder commits to lead, the support offered by all actors, and timeframes for delivery.
- Raising awareness and applying the Local Green Deals Blueprint<sup>16</sup> in the development and implementation of the Local Green Deals.

### *Themes and priorities (scope)*

Businesses are adapting to meet rising market demand for sustainable products and services and they are called on to lead the transition and deliver the European Green Deal through concrete actions. In order to coordinate those actions, they must develop more comprehensive business models, governance structures and networks. A Local Green Deal, to be developed will need to reflect diverse priorities including the local challenges, culture, heritage, employment base, skills and competencies already present within the city. As each territory has unique characteristics, each Local Green Deal approach may take a different shape, therefore there are various examples in the Blueprint.

Taking into account the Local Green Deals - A Blueprint for Action<sup>17</sup>, project proposals must address at least one of the following principles:

- (a) Governance: New integrated governance and management structures
- (b) Integrated goals: An assessment of strategies and policies to ensure they align
- (c) Collaborative partnerships: A multi-stakeholder approach
- (d) Action: An approach that leads to collaboration agreements and delivers action.

The proposals on Local Green Deals must focus on a number of specific themes identified by the consortium, with specified objectives to be achieved and in line with objectives of this call.

The selected themes must be justified based on their relevance to the development of

<sup>12</sup> [https://europa.eu/new-european-bauhaus/index\\_en?page=2](https://europa.eu/new-european-bauhaus/index_en?page=2)

<sup>13</sup> [https://europa.eu/climate-pact/index\\_en](https://europa.eu/climate-pact/index_en)

<sup>14</sup> [https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/actions-being-taken-eu/farm-fork\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/actions-being-taken-eu/farm-fork_en)

<sup>15</sup> [https://ec.europa.eu/clima/policies/eu-climate-action/2030\\_ctp\\_en](https://ec.europa.eu/clima/policies/eu-climate-action/2030_ctp_en)

<sup>16</sup> <https://www.intelligentcitieschallenge.eu/sites/default/files/2021-06/Local%20Green%20Deals-8.pdf>

<sup>17</sup> <https://op.europa.eu/s/pldA>

Local Green Deals and their key role in building community resilience.

The selected themes can include, for example<sup>18</sup>:

### **1. Innovative and collaborative models for green transformation of businesses and SMEs**

Supporting SMEs and economic operators to pilot new technologies and create markets for sustainable solutions, e.g. use of clean technologies, energy efficiency and scaling up renewable energy solutions, green manufacturing, circular industrial activities, decarbonising power and substituting it for greener alternatives.

The recently adopted EU Industrial Strategy supports a pathway towards more sustainable industrial systems, cleaner technologies, less polluting business models and consumption habits. In order to make sure that both production and consumption modes become more sustainable, businesses and SMEs must be part of the transformation towards a clean, climate-neutral and circular economy. It is necessary to build strong partnerships with local businesses, SMEs and organisations, for delivering joint actions, and demonstrating that city-stakeholder collaboration adds significant value to a transition to a circular and sustainable economy, based on.

Focusing on the local economy and how companies are taking on a new role as a positive, proactive force in tackling environmental and societal challenges, the actions must be both adaptive, for example searching for, identifying, and adopting technologies that can support their sustainability goals and proactive, for example, working with other partners as research and innovation institutes to steer innovation towards solutions that will serve the interest of the citizens and the public good. In addition, the aim is to support business-led initiatives to develop environmental accounting principles that complement financial data with circular economy performance and encourage the integration of sustainability criteria into business strategies by improving the corporate governance framework.

### **2. Green infrastructure**

Prioritising green infrastructure using ecological construction techniques and circular systems, nature based solutions, bio-based and natural materials, urban farming, biofuels, inclusive climate action for resilience e.g., against flooding, drought or heat waves. Shaping urban areas and public spaces in line with New European Bauhaus<sup>19</sup>.

Infrastructure plays an important role in urban development. It can be particularly climate-sensitive and highly vulnerable to the destruction that occurs due to natural disaster. In order to protect critical socio-economic infrastructure, and to manage the risks associated with the impacts of climate change, measures need to be implemented that require many informed decisions and significant amount of time regarding water management, efficient use of resources, energy and urban planning.

Prioritising green infrastructure can also support the post-COVID 19 recovery by helping to rebuild a more sustainable EU economy by shaping urban areas and public spaces, in line with New European Bauhaus values that strive to improve the quality of our living experience. It will highlight the value of simplicity, functionality, and circularity of materials without compromising the need for comfort and attractiveness in our daily lives.

In order to overcome constraints on land availability, resources and sustain growth in cities, SMEs and businesses need to adopt an integrated and long-term planning

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<sup>18</sup> This list is not exhaustive.

<sup>19</sup> [https://europa.eu/new-european-bauhaus/about/about-initiative\\_en](https://europa.eu/new-european-bauhaus/about/about-initiative_en)



approach to optimize resources, aiming to ensure a clean and green environment and solutions for addressing climate-related risks (i.e. floods, drought).

The aim is to promote new business models to leverage investments into sustainable initiatives, with a focus on decarbonisation and zero-energy consumption, and develop solutions to encourage businesses, to invest into ecological construction techniques, circular systems, bio-based and natural materials, urban farming, biofuels etc.

### **3. Local sustainable value chains**

Strengthening local sustainable value chains and enhancing local production and consumption. Improving supply chain resilience, ability to self-supply and resource independence e.g. for medication, food systems through better links to rural areas.

The pandemic has brought forward the interrelations between health, ecosystems, supply chains, consumption patterns and planetary boundaries. COVID-19 revealed the weaknesses in global supply chains and underscored the need to build in more resilience. Pandemics aren't the only threat to global supply chains, in order to be resilient businesses, need to include local suppliers. Having more diverse, shorter, less complex supply chains creates more resilience.

Proximity allows businesses to be more responsive to customers' needs, it enables a greater level of control over suppliers and creates better links to rural areas.

Localizing supply chain represents a tremendous opportunity to help the environment. When reducing shipping and storage, emissions and energy usage are also reduced. Sourcing locally not only contributes to green manufacturing and local production, but ultimately helps increasing consciousness about consumer behaviour. New categories of products with eco labels are moving online and there is an increasing awareness on part of customers who elevate the need for change, especially regarding sustainable deliveries.

### **4. Green and social procurement**

Implement measures to facilitate green and social procurement and encouraging stakeholders to engage in it.

Green procurement<sup>20</sup> can make an important contribution to sustainable consumption and production and has a key role to play in the EU's efforts to become a more resource-efficient economy. It can help stimulate a critical mass of demand for more sustainable goods and services which otherwise would be difficult to get onto the market. Green Public Procurement is therefore a strong stimulus for eco-innovation.

Furthermore, engaging in socially-responsible public procurement<sup>21</sup> by buying ethical products and services, can create job opportunities, and social and professional inclusion. Buying responsibly and ethically can also create incentives for entrepreneurs to commit to a more responsible and sustainable management of the production process and the employment of workers.

### **5. Other relevant theme**

The proposal may address another relevant theme referring to the development of Local Green Deals and their key role in building community resilience as identified by the applicants and explained in the proposal.

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<sup>20</sup> [Green Public Procurement - Environment - European Commission \(europa.eu\)](https://ec.europa.eu/euro-iss/press_corner/press_release/2020-05-14-green-public-procurement-environment)

<sup>21</sup> [Social procurement | European Commission \(europa.eu\)](https://ec.europa.eu/euro-iss/press_corner/press_release/2020-05-14-social-procurement)

### Activities that can be funded (scope)

The activities can be organised at local level to develop and implement Local Green Deals, as part of the transnational partnership and at transnational, cross-city level to strengthen cooperation. The activities implemented must support exchange of good practices and peer learning among cities and local businesses participating in the project, and co-creation of green solutions for the most pressing urban challenges.

The objectives of this topic are to be achieved through project activities that must at minimum consist of:

- a) At transnational level: Organisation of transnational capacity building activities such as e.g.: workshops/ study visits etc. bringing together partners and other relevant stakeholders. These activities through exchange of good practices, peer to peer learning shall inspire others and contribute to development and implementation of Local Green Deals in the participating cities/ local communities, as well as to develop at the end of the project replicable recommendations how to address the principles articulated in the Local Green Deals Blueprint for Action.
- b) At local level: Setting-up local agreements (“deals”) between stakeholders to cooperate. These agreements must clearly identify the key actions that each stakeholder commits to lead, the support offered by all actors, and timeframes for delivery.
- c) Activities to co-design creative practices and solutions on green transition of the local economy. This must contribute to speed up the implementation of local strategies and roadmaps for smart and sustainable growth and feed-in the Local Green Deals best practices and the Blueprint for Action.

Drawing inspiration from the existing best practices of Local Green Deals, as described in the Blueprint for Action presented in the context of the Intelligent Cities Challenge, specific project tasks could include (this list is not exhaustive):

- Activities aiming at strengthening co-creation among businesses, SMEs, local public administrations and communities, and support organisations including: technology centres, research institutes, innovation hubs, resource efficiency services providers, incubators and accelerators.
- Business led initiatives to kick start co-production, co-design, and co-innovation approaches, paving the way for long-term, systemic change and driving forward sustainable initiatives;
- Capacity building activities, such as organisation of online and physical trainings, workshops, study visits, awareness raising, coaching and mentoring services, twinning, matchmaking, peer learning, knowledge sharing, as well as business to business matchmaking activities;
- Developing innovative products and services, smart solutions for knowledge and expertise sharing and community involvement;
- Communication activities about the projects objectives and about the projects results, and communication about Local Green Deal’s objectives to reach out to potential stakeholders and partnerships. Mapping of specific needs of those stakeholders and partnerships.
- Good practices description and repository.

### Expected impact

Expected general impact of the project under this call are the following:

- Increasing better, high-quality employment (tackling regional/local unemployment);

- Mobilising the regional/local stakeholders towards a new, green, sustainable, inclusive and socially fairer post-COVID-19 recovery;
- Supporting the green, social and digital transition at local level;
- Supporting resilient and sustainable business models based on social economy;
- Boosting the efficient use of resources by moving to a clean, circular economy;
- Ensuring more community resilience and better living conditions for the population;
- New ecosystem thinking based on active engagement of all actors.

Indicators for expected impact under this call are the following:

- Number of new partnerships initiated by this call;
- Number of green/social initiatives reflected in regional development strategies;
- Number of citizens and civil society actors engaged in the process;
- Number of new grassroots actions supported at local level and their impact in employment, social resilience and environmental sustainability;
- Number of green and digital transition initiatives reflected in national, regional and local recovery plans.

Indicators for expected impact under the topic “Local Green Deals” are the following:

- Number of local economic operators and SMEs who have better awareness of sustainability, improved sustainable business models alternatives and existing support for their transition;
- Number of SMEs who are more innovative in terms of products and services, and how they manage their innovation processes, and integrate green and digital technologies and processes;
- Number of SMEs who are aware of sources of EU funding (including for research and innovation) and other sources of finance for expanding their business internationally, and what they need to do to apply and/or to establish fruitful contacts with potential investors;

Enhanced preparation for an effective deployment for a Local Green Deals movement. Improved capacity to identify solutions for scale ups, comparability and coherence of outcomes across Member States and effective and timely deployment.

## **2.2 SMP-COSME-2021-RESILIENCE-SEM - Social Economy Missions for community resilience**

### Objectives

The general objective of the topic “Social Economy Missions for community resilience” is to co-fund projects, which will build resilience and increase the capacity of regional or local public administrations, social economy SMEs and civil society to overcome difficulties and crises. The call for proposals will support building local resilience through: a) transnational and inter-regional peer-learning and collaboration in the field of social economy, b) developing social economy local action plans with the cooperation of social economy stakeholders and c) formulating recommendations to be potentially replicable in other parts of Europe.

The specific objectives to be achieved through this call for proposals for topic “Social Economy Missions for community resilience” are the following:

- Developing transnational and inter-regional collaboration between social economy stakeholders (public and private sector) in the field of Social Economy Missions’ theme;
- Boosting peer-learning, sharing and replicating good practices and success stories between social economy stakeholders;
- Improving collaboration between existing social economy networks and

stakeholders at regional and local level in the identified theme;

- Showcasing social economy enterprises and organisations and promoting their role in building resilience in territories;
- Developing local action plans with social economy enterprises and stakeholders in the identified theme.

### Themes and priorities (scope)

The proposals for Social Economy Missions for community resilience must focus on a specific theme identified by the consortium, relevant for all consortium partners and with specified objectives to be achieved.

The proposals must address one of the themes listed below or identify another theme of relevance to the consortium partners around the development of social economy and its key role in building community resilience:

#### **1. Improving business environment and supporting sustainable business models based on social economy**

The business environment is determined by the nexus of policy, legal, institutional, and regulatory conditions that govern business activities as well as by the mechanisms of government policy and institutional arrangements that influence the way key actors operate. A conducive business environment is a prerequisite for economic growth and social cohesion. Creating and maintaining a climate that stimulates social economy enterprises and organisations to thrive must be at the core of any effort to spur the sustainable economic growth.

The development of practical, actionable, easy-to-use, people-centred methods to support the development of social economy is also not only a direct response to this need, but also reflects a bottom-up approach to the current environmental and societal challenges. During the COVID-19 crisis, we saw also the growing role of social economy in local communities' resilience. Also social economy enterprises and organisations play a key role in green and digital transition at local level therefore it is important to create conditions for them to develop and grow. The European Commission, in close collaboration with social economy practitioners, has developed a prototype of the Social Economy Canvas in order to provide a targeted support to aspiring social entrepreneurs, a testing tool for existing traditional and social enterprises to test their triple bottom line performance and impact, an a tool to actively contribute to achieving Social Development Goals (SDGs).

The projects could for instance reflect on how to:

- improve legal, policy and regulatory frameworks,
- design investment policy for improving access to finance, market information and overall investment climate,
- reinforce public-private dialogue and multi-stakeholder consultative mechanisms.

The projects through dedicated missions will enable exchange of good practices and inter-regional learning between the project partners. Involved partners will exchange practices on support to social economy development and on improving business environment for social economy. This peer-to-peer learning will contribute to elaboration of social economy thematic local action plans in this area and formulating replicable recommendations.

## **2. Green and digital transition through social economy at regional and local level**

Shifting towards a more sustainable and green economy is one of the key priorities of the European Commission. A European Green Deal package published in December 2019 enables European citizens and businesses to benefit from sustainable green transition. Measures accompanied with an initial roadmap of key policies range from ambitiously cutting emissions, to investing in cutting-edge research and innovation, to preserving Europe's natural environment. The European Green Deal sets a path for a transition that is just and socially fair. It is designed in such a way as to leave no individual or region behind in the great transformation ahead.

Many existing social economy stakeholders provide sustainable development products and services (such as for example renewable energy cooperatives, alternative and sharing public/private transportation solutions, passive housing projects in cities and rural areas, active promotion of biodiversity), often also with a work integration function.

A targeted inter-regional learning and sharing good practices in this area is a prerequisite for new solutions, sustainable businesses and projects to address community needs and boost citizens-rooted green actions paving the way towards Europe as the first climate-neutral continent in the world by 2050.

Also the use of new technologies and digital social innovations within a social enterprise or social economy ecosystem context is key for the future. Many pioneering examples were already developed by the social economy, such as sharing and collaborative platforms for lowering consumption, co-ownership, circular economy, clean mobility or the use of blockchain for traceability in organic agriculture (traceability) and electricity provision within a cooperative context (fair pricing and distribution systems for clean energy), the rise of urban and rural fablabs to foster low and high-tech (green) solutions servicing sectors such as sustainable agriculture, tourism, mobility, the circular economy and foster new and green local value chains.

The projects through dedicated missions will enable exchange of good practices and inter-regional learning between the project partners. Involved partners will exchange practices on green and digital transition through social economy at regional and local level. This peer-to-peer learning will contribute to elaboration of social economy thematic local action plans in this area and formulating replicable recommendations.

## **3. Education, training and skills to develop the social economy ecosystem**

Education, training and skills are key topics for the social economy ecosystem. Many proximity and social economy organisations are active in the area of skills and have a proven expertise in facilitating labour market integration. Their deep local footprint and knowledge of the territory can be a real added value when it comes to matching the demand and supply sides. This is why they can be key players in upskilling and reskilling people during COVID-19 crisis, recovery and in the context of the green and digital transition.

Therefore, first of all upskilling and reskilling projects implemented by and for local social economy actors should be promoted and scaled up. This ecosystem indeed needs particular skills for their staff to ensure its resilience and to be able to cope with the suspension of investment and decrease of revenue reported during the COVID-19 crisis. Social economy has been at the forefront of innovation in the sustainable, circular and green transitions. Now these enterprises and even the most innovative businesses among them, risk a serious setback and investing in them is

critical. Projects specifically targeting social economy organisations staff, aiming at developing their digital and managerial skills, among others, must therefore be supported.

Moreover, proximity and social economy ecosystem is known as a driver for new social entrepreneurs. The social entrepreneurs allow experimentation and social innovation, leading to new business models and markets. This requires specific skills in the field of social entrepreneurship, targeting the ones who train and guide (train the trainer), as for entrepreneurs themselves in order to professionalise and grow. In this context there is great potential in supporting the large numbers of young people who are interested in developing socially entrepreneurial solutions to societal problems through education systems. It is important to support developing educational schemes (primary + secondary schools + university/tech schools) and also fostering the entrepreneurial mind-sets of young people to be involved in social economy organisations outside the educational environment. Relevant awareness raising is important to develop alternative forms of entrepreneurship based on models rooted in principles such as self-help, self-responsibility, democracy, equality, equity, and solidarity. At the European level, to enable young people to take full advantage of the cooperative enterprise option, the European Commission launched a preparatory action in 2019 on “Reducing youth unemployment: setting up co-operatives to enhance working opportunities in the EU” to address challenges in that area. The action will help to diffuse the cooperative concept and values towards young people, and it complements projects aiming at boosting cooperative entrepreneurship implemented under ERASMUS+.

The projects through dedicated missions will enable exchange of good practices and inter-regional learning between the project partners. Involved partners will exchange practices on education, training and skills to develop the social economy ecosystem. This peer-to-peer learning will contribute to elaboration of social economy thematic local action plans in this area and formulating replicable recommendations.

#### **4. Social transformation through New European Bauhaus**

The New European Bauhaus will be a driving force to bring the European Green Deal to life in an attractive, innovative and human-centred way. It will be a movement based on sustainability, inclusiveness and aesthetics to bring the European Green Deal closer to people. Within the movement new sustainable architecture, inclusive and green urban development and a new lifestyle will flourish. The New European Bauhaus is meant to be an interdisciplinary movement, involving science and technology and the world of art and culture. The initiative unfolds in three phases: Co-design, Delivery and Dissemination. In the co-design phase the European Commission gathers contemporary examples that showcase principles of the New European Bauhaus. The most inspiring contributions will help all interested people/organisations to organise, trigger and participate to the debate. A report on the results of the co-design phase will be presented in September 2021. The outcome of the co-design phase will be a support framework based on EU programs, including a call for proposals for pilots in different EU Member States where the new Bauhaus concept will come to life.

The New European Bauhaus calls for a collective effort to imagine and build a sustainable (including circularity), inclusive (including affordability) and quality of experience (including aesthetics) future to work together to develop an urban/rural, economic and social regeneration. The latter aims at creating new opportunities, promote wellbeing and reduce inequalities where people live, now and in the future, to improve their lives and strengthen communities. The challenge of social regeneration can then be addressed through organisational solutions increasingly identified with social economy organisations. Being built on values such as

inclusiveness, solidarity and sustainability, social and solidarity economy and social economy enterprises seem to be in a central position to address the regeneration of communities.

The projects through dedicated missions will enable an exchange of good practices and inter-regional learning between the project partners. Involved partners will exchange practices on social transformation through New European Bauhaus, how social economy can contribute to New European Bauhaus and foster spatial and sectoral undertakings in this area bringing into such aspects as: social inclusion, social innovation and affordability. This peer-to-peer learning will contribute to elaboration of social economy thematic local action plans in this area and formulating replicable recommendations.

## **5. Other relevant theme**

The proposal may address another relevant theme referring to the development of social economy and its key role in building community resilience as identified by the applicants and explained in the proposal.

### *Activities that can be funded (scope)*

Activities that can be funded are the activities improving the capacity of regional or local public administrations, social economy SMEs and civil society to face difficulties and crises and overcome them. They will showcase how social economy enterprises and organisations can be key in promoting the resilience in territories. The activities can be organised at both transnational and interregional level to strengthen cooperation, exchange of good-practices and peer learning, and activities at local level to develop local thematic action plan.

The objectives of this topic are to be achieved through project activities that must at minimum consist of:

#### a) Transnational Social Economy Missions

Organisation of transnational Social Economy Missions bringing together regional or local administrations from different countries with similar social economy priorities and accompanied by regional and local social economy stakeholders (social enterprises, cooperatives, associations, SMEs, etc.). Networks and umbrella organisations at various levels (European, national, regional, local) active in the field of social economy will be invited to enrich the missions' exchanges and mutual learning within the established partnerships, including new, innovative approaches. The transnational Social Economy Missions through exchange of good practices, success stories, peer to peer learning shall inspire and contribute to elaboration of local action plans in the priority topic chosen.

#### b) Elaboration of local thematic social economy action plans.

Inspired by transnational cooperation and lessons learned through transnational Social Economy Missions (as described above), each regional or local administration involved as a partner in the project will elaborate its local social economy action plan. Those plans shall be an instrument to mitigate negative impacts of crisis and be an important 'engine' for social economy enterprises and organisations to help the recovery, twin transition and the longer-term restructuring of the economy towards more resilience, fairness and sustainability.

Local thematic social economy action plans must focus on the priority theme identified by the project. Each regional or local community involved in the project will develop its own local plan, fitting to specific local realities and challenges to



overcome. The plans will be an instrument for regional or local administrations, communities, businesses and stakeholders to set up common vision, objectives, activities and support measures to enable local social economy ecosystems to recover and transform local economies towards more resilience, fairness and sustainability.

The plans must include: explanation on the objectives and targets to be achieved, stakeholders to be involved, actions and activities to be undertaken, key performance indicators, timeline and expected results.

Local thematic social economy action plans may take any form chosen by the beneficiaries. It can be a standalone document, publication or an integral part of a broader relevant regional or local development or recovery strategy or action plan.

#### c) Recommendations for replication

Based on the experience built during the project, resulting from transnational Social Economy Missions and elaboration of local thematic social economy action plans, the consortium must together formulate at the end of the project common key recommendations that could be replicable in other regions and local communities across Europe. The aim of the recommendations will be to share good solutions for building resilience of local communities through social economy across Europe.

Specific project tasks could include (this list is not exhaustive):

- Communication and awareness raising activities to reach out to potential social economy enterprises, organisations, SMEs and civil society about the project's objectives, activities and results;
- Organisation of activities to boost cooperation, transnational and inter-regional learning and capacity building in the field of social economy. This may include international, inter-regional and local travels to other cities or municipalities and meetings with partners and communities, online and physical workshops, events, study visits, trainings, twinning, matchmaking, peer learning, knowledge sharing;
- Mapping of specific needs of social economy enterprises and support measures to improve their sustainable development and growth;
- Mapping of relevant initiatives, guidelines, good practices, main players, providers of green, digital solutions and new technologies, opportunities for social economy enterprises and organisations;
- Developing of digital solutions, platforms for knowledge and expertise sharing, and local community involvement (for example seeking feedback from local communities on project's priorities, encouraging participation of communities in local development, encouraging social innovation and development of new business models);
- Collecting good practices and reporting, elaboration, print and online materials, publications;
- Other activities proposed by project partners in line with the objectives of the call and justified by the project's objectives.

#### Expected impacts

Expected general impacts of the projects under this call are the following:

- Increasing better, high-quality employment (tackling regional or local unemployment);
- Mobilising the regional or local stakeholders towards a new, green, sustainable, inclusive and socially fairer post-COVID-19 recovery;



- Supporting the green, social and digital transition at local level;
- Supporting resilient and sustainable business models based on social economy;
- Boosting the efficient use of resources by moving to a clean, circular economy;
- Ensuring more community resilience and better living conditions for the population;
- New ecosystem thinking based on active engagement of all actors.

Indicators for expected impact under this call are the following:

- Number of new partnerships initiated by this call;
- Number of green/social initiatives reflected in regional development strategies;
- Number of citizens and civil society actors engaged in the process;
- Number of new grassroots actions supported at local level and their impact in employment, social resilience and environmental sustainability;
- Number of green and digital transition initiatives reflected in national, regional and local recovery plans.

Indicators for expected impact under the topic "Social Economy Missions for community resilience" are the following:

- Number of local or regional administrations committed to improving business environment for sustainable business models based on social economy;
- Number of local economic operators and in particular social economy enterprises and organisations who have better awareness of sustainability and existing support for their transition;
- Number of local economic operators and in particular social economy enterprises and organisations who have better awareness of education and training relevant for their growth;
- Number of key recommendations that could be replicable in other regions and local communities across Europe.

### 3. Available budget

The available call budget is **EUR 4 000 000**.

Specific budget information per topic can be found in the table below.

Topic	Topic budget
1 — Local Green Deals	<b>EUR 2 000 000</b>
2 — Social Economy Missions for community resilience	<b>EUR 2 000 000</b>

We reserve the right not to award all available funds or to redistribute them between the call priorities, depending on the proposals received and the results of the evaluation.

#### 4. Timetable and deadlines

Timetable and deadlines (indicative)	
Call opening:	16 September 2021
Deadline for submission:	24 November 2021 – 17:00:00 CET
Evaluation:	December 2021 - January 2022
Information on evaluation results:	January – February 2022
GA signature:	March – April 2022

#### 5. Admissibility

Proposals must be submitted before the **call deadline** (see *timetable section 4*).

Proposals must be submitted **electronically** via the Funding & Tenders Portal Electronic Submission System (accessible via the Topic page in the [Search Funding & Tenders](#) section). Paper submissions are NOT possible.

Proposals (including annexes and supporting documents) must be submitted using the forms provided *inside* the Submission System (⚠ NOT the documents available on the Topic page — they are only for information).

Proposals must be **complete** and contain all the requested information and all required annexes and supporting documents:

- **Application Form Part A** — contains administrative information about the participants (future coordinator, beneficiaries and affiliated entities) and the summarised budget for the project (*to be filled in directly online*)
- **Application Form Part B** — contains the technical description of the project (*to be downloaded from the Portal Submission System, completed and then assembled and re-uploaded as PDF in the system*)
- **Mandatory annexes and supporting documents:**
  - Detailed budget table (*mandatory excel template available in the Submission System*)

Please note that the amounts entered into the summarised budget table (filled in directly online) must correspond to the amounts calculated in the detailed budget table. In case of discrepancies, the amounts in the online summarised budget table will prevail.

At proposal submission, you will have to confirm that you have the **mandate to act** for all applicants. Moreover you will have to confirm that the information in the application is correct and complete and that the participants comply with the conditions for receiving EU funding (especially eligibility, financial and operational capacity, exclusion, etc.). Before signing the grant, each beneficiary and affiliated entity will have to confirm this again by signing a declaration of honour (DoH). Proposals without full support will be rejected.

Your application must be **readable, accessible and printable**.

Proposals are limited to maximum **50 pages** (Part B). Evaluators will not consider any additional pages.

You may be asked at a later stage for further documents (*for legal entity validation, financial capacity check, bank account validation, etc.*).



For more information about the submission process (including IT aspects), consult the [Online Manual](#).

## 6. Eligibility

### Eligible participants (eligible countries)

In order to be eligible, the applicants (beneficiaries and affiliated entities) must:

- be legal entities (public or private bodies)
- be established in one of the eligible countries, i.e.:
  - EU Member State (including overseas countries and territories (OCTs))
  - non-EU countries:
    - listed EEA countries and countries associated to the COSME part of the Single Market Programme or countries which are in ongoing negotiations for an association agreement and where the agreement enters into force before grant signature ([list of participating countries](#))

Beneficiaries and affiliated entities must register in the [Participant Register](#) — before submitting the proposal — and will have to be validated by the Central Validation Service (REA Validation). For the validation, they will be requested to upload documents showing legal status and origin.

Other entities may participate in other consortium roles, such as associated partners, subcontractors, third parties giving in-kind contributions, etc. (*see section 13*).

### *Specific cases*

Natural persons — Natural persons are NOT eligible (with the exception of self-employed persons, i.e. sole traders, where the company does not have legal personality separate from that of the natural person).

International organisations — International organisations are NOT eligible.

Entities without legal personality — Entities which do not have legal personality under their national law may exceptionally participate, provided that their representatives have the capacity to undertake legal obligations on their behalf, and offer guarantees for the protection of the EU financial interests equivalent to that offered by legal persons<sup>22</sup>.

EU bodies — EU bodies (with the exception of the European Commission Joint Research Centre) can NOT be part of the consortium.

Associations and interest groupings — Entities composed of members may participate as 'sole beneficiaries' or 'beneficiaries without legal personality'<sup>23</sup>. ⚠ Please note that

<sup>22</sup> See Article 197(2)(c) EU Financial Regulation [2018/1046](#).

<sup>23</sup> For the definitions, see Articles 187(2) and 197(2)(c) EU Financial Regulation [2018/1046](#).

if the action will be implemented by the members, they should also participate (either as beneficiaries or as affiliated entities, otherwise their costs will NOT be eligible).

Countries currently negotiating association agreements — Beneficiaries from countries with ongoing negotiations (*see the list of SMP/COSME participating countries above*) may participate in the call and can sign grants if the negotiations are concluded before grant signature (with retroactive effect, if provided in the agreement).

EU restrictive measures — Special rules apply for certain entities (*e.g. entities subject to [EU restrictive measures](#) under Article 29 of the Treaty on the European Union (TEU) and Article 215 of the Treaty on the Functioning of the EU (TFEU)<sup>24</sup> and entities covered by Commission Guidelines No [2013/C 205/05](#)<sup>25</sup>*). Such entities are not eligible to participate in any capacity, including as beneficiaries, affiliated entities, associated partners, subcontractors or recipients of financial support to third parties (if any).



For more information, see [Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment](#).

### Consortium composition

For topic **“SMP-COSME-2021-RESILIENCE-LGD - Local Green Deals”** proposals must be submitted by:

- A consortium of applicants (beneficiaries; not affiliated entities), which complies with the following conditions:
  - (a) at least two local public administrations (such as municipalities or cities) validated as public entities in [Participant Register](#) from at least two different eligible countries;
  - (b) at least one business related organisation such as SMEs organisation or association, social enterprises organisation, chamber of commerce, etc. relevant for this call topic;
  - (c) additional applicants can be other economic operators such as network or umbrella organisations, SME organisations, SMEs, social economy organisations or enterprises, civil society organisations, local urban development and innovation agencies, technology centres and service providers, digital innovation hubs, science parks, local industrial clusters, educational institutions, educational or vocational training organisations, chambers of commerce, etc. relevant for this call topic.
- One applicant must be appointed as coordinator of the consortium.
- The number of applicants forming a consortium is minimum 3 and maximum 10.
- Each eligible applicant under (b) and (c) in the consortium must be established in the same territory covered by the local public administration as corresponding applicant under (a), except in case of participating network or umbrella organisations<sup>26</sup>.

For topic **“SMP-COSME-2021-RESILIENCE-SEM - Social Economy Missions for community resilience”** proposals must be submitted by:

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<sup>24</sup> Please note that the EU Official Journal contains the official list and, in case of conflict, its content prevails over that of the [EU Sanctions Map](#).

<sup>25</sup> Commission guidelines No [2013/C 205/05](#) on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards (OJEU C 205 of 19.07.2013, pp. 9-11).

<sup>26</sup> A country in which participating network or umbrella organisation is established does not have to be represented by its local public administration.

- A consortium of applicants (beneficiaries; not affiliated entities), which complies with the following conditions:
  - (a) at least three regional or local public administrations (such as regions, municipalities, cities, etc.) validated as public entities in [Participant Register](#) from at least three different eligible countries;
  - (b) at least one business related organisation such as SMEs organisation or association, social enterprises organisation, chamber of commerce, etc. relevant for this call topic;
  - (c) additional applicants can be other economic operators such as network or umbrella organisations, SMEs organisations, SMEs, social economy organisations or enterprises, civil society organisations, local urban development and innovation agencies, technology centres and service providers, digital innovation hubs, science parks, local industrial clusters, educational institutions, educational or vocational training organisations, chambers of commerce, etc. relevant for this call topic.
- One applicant must be appointed as coordinator of the consortium.
- The number of applicants forming a consortium is minimum 4 and maximum 10.
- Each eligible applicant under (b) and (c) in the consortium must be established in the same territory covered by the regional or local public administration as corresponding applicant under (a), except in case of participating network or umbrella organisations<sup>27</sup>.

### Eligible activities

Eligible activities are the ones set out in section 2 above.

Projects must comply with EU policy interests and priorities (*such as environment, social, security, industrial and trade policy, etc.*).

Financial support to third parties is allowed under the following conditions:

- Applications can provide financial support to third parties, meaning the members of the delegations participating in the workshops organised by project partners (member of delegations that are not project partners' staff) as specified in section 2;
- Such support to third parties must be part of the project costs and must be included under the corresponding cost heading;
- Financial support to third parties must cover the travel, accommodation and subsistence costs necessary for members of delegations to participate in activities bringing together partners and other relevant stakeholders (e.g. workshops or study visits), as indicated in the description of the action. The activities organised by the consortia within this action must be free of participation/registration fees for stakeholders participating in these activities.

The project applications must clearly specify the financial support to third parties that is needed, how it will be managed and provide a list of the different types of activities for which a third party may receive financial support.

### Geographic location (target countries)

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<sup>27</sup> A country in which participating network or umbrella organisation is established does not have to be represented by its regional or local public administration.

Proposals must relate to the activities taking place in the eligible countries (see above).

### Duration

Project duration must be **12 or 18 or 24 months** (extensions are possible, if duly justified and through an amendment).

### Project budget

Project budgets (maximum grant amount) must be **maximum EUR 200 000 per project**, but this does not preclude the submission/selection of proposals requesting amounts lower than the maximum.

## **7. Financial and operational capacity and exclusion**

### Financial capacity

Applicants must have **stable and sufficient resources** to successfully implement the projects and contribute their share. Organisations participating in several projects must have sufficient capacity to implement all these projects.

The financial capacity check will be carried out on the basis of the documents you will be requested to upload in the [Participant Register](#) during grant preparation (*e.g. profit and loss account and balance sheet, business plan, audit report produced by an approved external auditor, certifying the accounts for the last closed financial year, etc*). The analysis will be based on neutral financial indicators, but will also take into account other aspects, such as dependency on EU funding and deficit and revenue in previous years.

The check will normally be done for all beneficiaries, except:

- public bodies (entities established as public body under national law, including local, regional or national authorities) or international organisations
- if the individual requested grant amount is not more than EUR 60 000.

If needed, it may also be done for affiliated entities.

If we consider that your financial capacity is not satisfactory, we may require:

- further information
- an enhanced financial responsibility regime, i.e. joint and several responsibility for all beneficiaries or joint and several liability of affiliated entities (*see below, section 10*)

- prefinancing paid in instalments
- (one or more) prefinancing guarantees (*see below, section 10*)

or

- propose no prefinancing
- request that you are replaced or, if needed, reject the entire proposal.



For more information, see [Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment](#).

### Operational capacity

Applicants must have the **know-how, qualifications** and **resources** to successfully implement the projects and contribute their share (including sufficient experience in projects of comparable size and nature).

This capacity will be assessed together with the 'Quality' award criterion, on the basis of the competence and experience of the applicants and their project teams, including operational resources (human, technical and other) or, exceptionally, the measures proposed to obtain it by the time the task implementation starts.

If the evaluation of the award criterion is positive, the applicants are considered to have sufficient operational capacity.

Applicants will have to show their capacity via the following information:

- profiles (qualifications and experience) of the staff responsible for managing and implementing the project
- description of the consortium participants

Additional supporting documents may be requested, if needed to confirm the operational capacity of any applicant.

### Exclusion

Applicants which are subject to an **EU exclusion decision** or in one of the following **exclusion situations** that bar them from receiving EU funding can NOT participate<sup>28</sup>:

- bankruptcy, winding up, affairs administered by the courts, arrangement with creditors, suspended business activities or other similar procedures (including procedures for persons with unlimited liability for the applicant's debts)
- in breach of social security or tax obligations (including if done by persons with unlimited liability for the applicant's debts)
- guilty of grave professional misconduct<sup>29</sup> (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- committed fraud, corruption, links to a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- shown significant deficiencies in complying with main obligations under an EU procurement contract, grant agreement, prize, expert contract, or similar (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- guilty of irregularities within the meaning of Article 1(2) of Regulation No [2988/95](#) (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)

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<sup>28</sup> See Articles 136 and 141 of EU Financial Regulation [2018/1046](#).

<sup>29</sup> Professional misconduct includes: violation of ethical standards of the profession, wrongful conduct with impact on professional credibility, false declarations/misrepresentation of information, participation in a cartel or other agreement distorting competition, violation of IPR, attempting to influence decision-making processes or obtain confidential information from public authorities to gain advantage.



- created under a different jurisdiction with the intent to circumvent fiscal, social or other legal obligations in the country of origin or created another entity with this purpose (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant).

Applicants will also be refused if it turns out that<sup>30</sup>:

- during the award procedure they misrepresented information required as a condition for participating or failed to supply that information
- they were previously involved in the preparation of the call and this entails a distortion of competition that cannot be remedied otherwise (conflict of interest).

## 8. Evaluation and award procedure

The proposals will have to follow the **standard submission and evaluation procedure** (one-stage submission + one-step evaluation).

An **evaluation committee** (assisted by independent outside experts) will assess all applications. Proposals will first be checked for formal requirements (admissibility, and eligibility, *see sections 5 and 6*). Proposals found admissible and eligible will be evaluated (for each topic) against the operational capacity and award criteria (*see sections 7 and 9*) and then ranked according to their total scores.

For proposals with the same score (within a topic or budget envelope) a **priority order** will be determined according to the following approach:

Successively for every group of *ex aequo* proposals, starting with the highest scored group, and continuing in descending order:

- 1) The *ex aequo* proposals within the same topic will be prioritised according to the scores they have been awarded for the award criterion 'Relevance'. When these scores are equal, priority will be based on their scores for the criterion 'Impact'. When these scores are equal, priority will be based on their scores for the criterion 'Quality'.
- 2) If this does not allow to determine the priority, a further prioritisation can be done by considering the overall project portfolio and the creation of positive synergies between projects, or other factors related to the objectives of the call. These factors will be documented in the panel report.
- 3) After that, the remainder of the available call budget will be used to fund projects across the different topics in order to ensure a balanced spread of the geographical and thematic coverage and while respecting to the maximum possible extent the order of merit based on the evaluation of the award criteria.

All proposals will be informed about the evaluation result (**evaluation result letter**). Successful proposals will be invited for grant preparation; the other ones will be put on the reserve list or rejected.

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<sup>30</sup> See Article 141 EU Financial Regulation [2018/1046](#).





No commitment for funding — Invitation to grant preparation does NOT constitute a formal commitment for funding. We will still need to make various legal checks before grant award: *legal entity validation, financial capacity, exclusion check, etc.*

**Grant preparation** will involve a dialogue in order to fine-tune technical or financial aspects of the project and may require extra information from your side. It may also include adjustments to the proposal to address recommendations of the evaluation committee or other concerns. Compliance will be a pre-condition for signing the grant.

If you believe that the evaluation procedure was flawed, you can submit a **complaint** (following the deadlines and procedures set out in the evaluation result letter). Please note that notifications which have not been opened within 10 days after sending are considered to have been accessed and that deadlines will be counted from opening/access (see also [Funding & Tenders Portal Terms and Conditions](#)). Please also be aware that for complaints submitted electronically, there may be character limitations.

## 9. Award criteria

The **award criteria** for this call are as follows:

- **Relevance:** clarity and consistency of project, objectives and planning; extent to which they match the themes and priorities and objectives of the call; contribution to the EU strategic and legislative context; European/trans-national dimension; impact/interest for a number of countries (EU or eligible non-EU countries); possibility to use the results in other countries; potential to develop mutual trust/cross-border cooperation (30 points)
- **Quality:**
  - **Project design and implementation:** technical quality; logical links between the identified problems, needs and solutions proposed (logical frame concept); methodology for implementing the project (concept and methodology, management, procedures, timetable, risks and risk management, monitoring and evaluation); feasibility of the project within the proposed time frame; cost effectiveness (sufficient/appropriate budget for proper implementation; best value for money) (30 points)
  - **Project team and cooperation arrangements:** quality of the consortium and project teams; appropriate procedures and problem-solving mechanisms for cooperating within the project teams and consortium (30 points)
- **Impact:** ambition and expected long-term impact of results on target groups/general public; appropriate dissemination strategy for ensuring sustainability and long-term impact; sustainability of results after EU funding ends (10 points).

Award criteria	Minimum pass score	Maximum score
Relevance	16	30
Quality — Project design and implementation	16	30
Quality — Project team and cooperation arrangements	16	30
Impact	6	10
<b>Overall (pass) scores</b>	<b>70</b>	<b>100</b>

Maximum points: 100 points.

Individual thresholds per criterion: 16/30, 16/30, 16/30 and 6/10 points.

Overall threshold: 70 points.

Proposals that pass the individual thresholds AND the overall threshold will be considered for funding — within the limits of the available call budget. Other proposals will be rejected.

## 10. Legal and financial set-up of the Grant Agreements

If you pass evaluation, your project will be invited for grant preparation, where you will be asked to prepare the Grant Agreement together with the EU Project Officer.

This Grant Agreement will set the framework for your grant and its terms and conditions, in particular concerning deliverables, reporting and payments.

The Model Grant Agreement that will be used (and all other relevant templates and guidance documents) can be found on [Portal Reference Documents](#).

### Starting date and project duration

The project starting date and duration will be fixed in the Grant Agreement (*Data Sheet, point 1*). Normally the starting date will be after grant signature. Retroactive application can be granted exceptionally for duly justified reasons — but never earlier than the proposal submission date. **Estimated start date is 1 May 2022.**

Project duration: 12 or 18 or 24 months (extensions will be possible only exceptionally, for duly justified reasons and through an amendment)

### Milestones and deliverables

The milestones and deliverables for each project will be managed through the Portal Grant Management System and will be reflected in Annex 1 of the Grant Agreement.

Besides project periodic narrative and financial reports, the following deliverables will be expected from the projects as a minimum:

#### **1-SMP-COSME-2021-RESILIENCE-LGD - Local Green Deals**

- A description of creative good practices and solutions on green transition of the local economy and society supported by and/or developed under the project

- A list of recommendations for replication on the approach how to address the principles mentioned in the Local Green Deals Blueprint for Action.
- A description of the impacts achieved (information on indicators mentioned under “Expected impacts”).

## **2-SMP-COSME-2021-RESILIENCE-SEM - Social Economy Missions for community resilience**

- A copy of local thematic social economy action plans elaborated under the project and information about their dissemination amongst relevant stakeholders.
- A list of recommendations for replication to share good solutions for building resilience of local communities through social economy across Europe.
- A description of the impacts achieved (information on indicators mentioned under “Expected impacts”).

### Form of grant, funding rate and maximum grant amount

The grant parameters (*maximum grant amount, funding rate, total eligible costs, etc.*) will be fixed in the Grant Agreement (*Data Sheet, point 3 and art 5*).

Project budget (maximum grant amount): *see section 6 above*. The grant awarded may be lower than the amount requested.

The grant will be a budget-based mixed actual cost grant (actual costs, with unit cost and flat-rate elements). This means that it will reimburse ONLY certain types of costs (eligible costs) and costs that were *actually* incurred for your project (NOT the *budgeted* costs). For unit costs and flat-rates, you can charge the amounts calculated as explained in the Grant Agreement (*see art 6 and Annex 2 and 2a*).

The costs will be reimbursed at the funding rates fixed in the Grant Agreement (**100%** for the costs for providing financial support to third parties and **90%** for all other costs categories).

Grants may NOT produce a profit (i.e. surplus of revenues + EU grant over costs). For-profit organisations must declare their revenues and, if there is a profit, we will deduct it from the final grant amount (*see art 22.3*). Moreover, please be aware that the final grant amount may be reduced in case of non-compliance with the Grant Agreement (*e.g. improper implementation, breach of obligations, etc.*).

### Budget categories and cost eligibility rules

The budget categories and cost eligibility rules are fixed in the Grant Agreement (*Data Sheet, point 3, art 6 and Annex 2*).

*Budget categories for this call:*

- A. Personnel costs
  - A.1 Employees, A.2 Natural persons under direct contract, A.3 Seconded persons
  - A.4 SME owners and natural person beneficiaries
- B. Subcontracting costs
- C. Purchase costs

- C.1 Travel and subsistence
- C.2 Equipment
- C.3 Other goods, works and services
- D. Other cost categories
  - D.1 Financial support to third parties
- E. Indirect costs

*Specific cost eligibility conditions for this call:*

- personnel costs:
  - SME owner/natural person unit cost<sup>31</sup>: Yes
- travel and subsistence unit cost<sup>32</sup>: Yes
- equipment costs: depreciation
- other cost categories:
  - costs for financial support to third parties: allowed as actual costs; maximum amount per third party EUR 60.000, unless a higher amount is required because the objective of the action would otherwise be impossible or overly difficult to achieve and this is duly justified in the Application Form
  - indirect cost flat-rate: 7% of the eligible direct costs (categories A-D)
- VAT: non-deductible VAT is eligible (but please note that since 2013 VAT paid by beneficiaries that are public bodies acting as public authority is NOT eligible)
- other:
  - in-kind contributions for free are allowed, but cost-neutral, i.e. they cannot be declared as cost
  - kick off meeting: costs for kick-off meeting organised by the granting authority are eligible (travel costs for maximum 2 persons, return ticket to Brussels and accommodation for one night) only if the meeting takes place after the project starting date set out in the Grant Agreement; the starting date can be changed through an amendment, if needed
  - project websites: communication costs for presenting the project on the participants' websites or social media accounts are eligible; costs for *separate* project websites are not eligible
  - other ineligible costs: No

*Reporting and payment arrangements*

The reporting and payment arrangements are fixed in the Grant Agreement (*Data Sheet, point 4 and art 21 and 22*).

After grant signature, you will normally receive a **prefinancing** to start working on the project (float of normally 70% of the maximum grant amount; exceptionally less

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<sup>31</sup> Commission [Decision](#) of 20 October 2020 authorising the use of unit costs for the personnel costs of the owners of small and medium-sized enterprises and beneficiaries that are natural persons not receiving a salary for the work carried out by themselves under an action or work programme (C(2020)7715).


<sup>32</sup> Commission [Decision](#) of 12 January 2021 authorising the use of unit costs for travel, accommodation and subsistence costs under an action or work programme under the 2021-2027 multi-annual financial framework (C(2021)35).

or no prefinancing). The prefinancing will be paid 30 days from entry into force/10 days before starting date/financial guarantee (if required) – whichever is the *latest*.

There will be no **interim payments**.

**Payment of the balance:** At the end of the project, we will calculate your final grant amount. If the total of earlier payments is higher than the final grant amount, we will ask you (your coordinator) to pay back the difference (recovery).

All payments will be made to the coordinator.

 Please be aware that payments will be automatically lowered if one of your consortium members has outstanding debts towards the EU (granting authority or other EU bodies). Such debts will be offset by us — in line with the conditions set out in the Grant Agreement (*see art 22*).

Please note that you are responsible for keeping records on all the work done and the costs declared.

### Prefinancing guarantees

If a prefinancing guarantee is required, it will be fixed in the Grant Agreement (*Data Sheet, point 4*). The amount will be set during grant preparation and it will normally be equal or lower than the prefinancing for your grant.

The guarantee should be in euro and issued by an approved bank/financial institution established in an EU Member State. If you are established in a non-EU country and would like to provide a guarantee from a bank/financial institution in your country, please contact us (this may be exceptionally accepted, if it offers equivalent security).

Amounts blocked in bank accounts will NOT be accepted as financial guarantees.

Prefinancing guarantees are formally NOT linked to individual consortium members, which means that you are free to organise how to provide the guarantee amount (*by one or several beneficiaries, for the overall amount or several guarantees for partial amounts, by the beneficiary concerned or by another beneficiary, etc*). It is however important that the requested amount is covered and that the guarantee(s) are sent to us in time to make the prefinancing (scanned copy via Portal AND original by post).

If agreed with us, the bank guarantee may be replaced by a guarantee from a third party.

The guarantee will be released at the end of the grant, in accordance with the conditions laid down in the Grant Agreement.

### Certificates

Depending on the type of action, size of grant amount and type of beneficiaries, you may be requested to submit different certificates. The types, schedules and thresholds for each certificate are fixed in the grant agreement (*Data Sheet, point 4 and art 24*).

### Liability regime for recoveries

The liability regime for recoveries will be fixed in the Grant Agreement (*Data Sheet point 4.4 and art 22*).

For beneficiaries, it is one of the following:

- limited joint and several liability with individual ceilings — *each beneficiary up to their maximum grant amount*

- unconditional joint and several liability — *each beneficiary up to the maximum grant amount for the action*

or

- individual financial responsibility — *each beneficiary only for their own debts.*

In addition, the granting authority may require joint and several liability of affiliated entities (with their beneficiary).

#### Provisions concerning the project implementation

IPR rules: *see Model Grant Agreement (art 16 and Annex 5):*

- list of background: No
- rights of use on results: Yes
- access rights to ensure continuity and interoperability obligations: No

Communication, dissemination and visibility of funding: *see Model Grant Agreement (art 17 and Annex 5):*

- communication and dissemination plan: Yes
- additional communication and dissemination activities: Yes

Specific rules for carrying out the action: *see Model Grant Agreement (art 18 and Annex 5):*

- specific rules for PPI Grants for Procurement: No

#### Other specificities

n/a

#### Non-compliance and breach of contract

The Grant Agreement (chapter 5) provides for the measures we may take in case of breach of contract (and other non-compliance issues).



For more information, see [AGA — Annotated Grant Agreement](#).

## **11. How to submit an application**

All proposals must be submitted directly online via the Funding & Tenders Portal Electronic Submission System. Paper applications are NOT accepted.

Submission is a 2-step process:

### **a) create a user account and register your organisation**

To use the Submission System (the only way to apply), all participants need to [create an EULogin user account](#).

Once you have an EULogin account, you can [register your organisation](#) in the Participant Register. When your registration is finalised, you will receive a 9-digit participant identification code (PIC).

## b) **submit the proposal**

Access the Electronic Submission System via the Topic page in the [Search Funding & Tenders](#) section (or, for calls sent by invitation to submit a proposal, through the link provided in the invitation letter).

Submit your proposal in 3 parts, as follows:

- Part A includes administrative information about the applicant organisations (future coordinator, beneficiaries, affiliated entities and associated partners) and the summarised budget for the proposal. Fill it in directly online
- Part B (description of the action) covers the technical content of the proposal. Download the mandatory word template from the Submission System, fill it in and upload it as a PDF file
- Annexes (*see section 5*). Upload them as PDF files (single or multiple depending on the slots). Excel upload is sometimes possible, depending on the file type.

The proposal must keep to the **page limits** (*see section 5*); excess pages will be disregarded.

Documents must be uploaded to the **right category** in the Submission System otherwise the proposal might be considered incomplete and thus inadmissible.

The proposal must be submitted **before the call deadline** (*see section 4*). After this deadline, the system is closed and proposals can no longer be submitted.

Once the proposal is submitted, you will receive a **confirmation e-mail** (with date and time of your application). If you do not receive this confirmation e-mail, it means your proposal has NOT been submitted. If you believe this is due to a fault in the Submission System, you should immediately file a complaint via the [IT Helpdesk webform](#), explaining the circumstances and attaching a copy of the proposal (and, if possible, screenshots to show what happened).

Details on processes and procedures are described in the [Online Manual](#). The Online Manual also contains the links to FAQs and detailed instructions regarding the Portal Electronic Exchange System.

## **12. Help**

As far as possible, ***please try to find the answers you need yourself***, in this and the other documentation (we have limited resources for handling direct enquiries):

- [Online Manual](#)
- FAQs on the Topic page (for call-specific questions in open calls)
- [Portal FAQ](#) (for general questions).

Please also consult the Topic page regularly, since we will use it to publish call updates.

### **Contact**

For individual questions on the Portal Submission System, please contact the [IT Helpdesk](#).

Call: SMP-COSME-2021-RESILIENCE — Social economy and local green deals supporting SMEs to become more resilient

Non-IT related questions should be sent by 19 November 17:00 CET (Brussels time) to the following email address: [EISMEA-SMP-COSME-ENQUIRIES@ec.europa.eu](mailto:EISMEA-SMP-COSME-ENQUIRIES@ec.europa.eu).

Please indicate clearly the reference of the call and topic to which your question relates (*see cover page*).



### 13. Important



#### IMPORTANT

- **Don't wait until the end** — Complete your application sufficiently in advance of the deadline to avoid any last minute **technical problems**. Problems due to last minute submissions (*e.g. congestion, etc.*) will be entirely at your risk. Call deadlines can NOT be extended.
- **Consult** the Portal Topic page regularly. We will use it to publish updates and additional information on the call (call and topic updates).
- **Funding & Tenders Portal Electronic Exchange System** — By submitting the application, all participants **accept** to use the electronic exchange system in accordance with the [Portal Terms & Conditions](#).
- **Registration** — Before submitting the application, all beneficiaries, affiliated entities and associated partners must be registered in the [Participant Register](#). The participant identification code (PIC) (one per participant) is mandatory for the Application Form.
- **Consortium roles** — When setting up your consortium, you should think of organisations that help you reach objectives and solve problems. The roles should be attributed according to the level of participation in the project. Main participants should participate as **beneficiaries** or **affiliated entities**; other entities can participate as associated partners, subcontractors, third parties giving in-kind contributions. **Associated partners** and third parties giving in-kind contributions should bear their own costs (they will not become formal recipients of EU funding). **Subcontracting** should normally constitute a limited part and must be performed by third parties (not by one of the beneficiaries/affiliated entities). Subcontracting going beyond 30% of the total eligible costs must be justified in the application.
- **Coordinator** - In multi-beneficiary grants, the beneficiaries participate as consortium (group of beneficiaries). They will have to choose a coordinator, who will take care of the project management and coordination and will represent the consortium towards the granting authority. In mono-beneficiary grants, the single beneficiary will automatically be coordinator.
- **Affiliated entities** — Applicants may participate with affiliated entities (i.e. entities linked to a beneficiary which participate in the action with similar rights and obligations as the beneficiaries, but do not sign the grant and therefore do not become beneficiaries themselves). They will get a part of the grant money and must therefore comply with all the call conditions and be validated (just like beneficiaries); but they do not count towards the minimum eligibility criteria for consortium composition (if any).
- **Associated partners** — Applicants may participate with associated partners (i.e. partner organisations which participate in the action but without the right to get grant money). They participate without funding and therefore do not need to be validated.
- **Consortium agreement** — For practical and legal reasons it is recommended to set up internal arrangements that allow you to deal with exceptional or unforeseen circumstances (in all cases, even if not mandatory under the Grant Agreement). The consortium agreement also gives you the possibility to redistribute the grant money according to your own consortium-internal principles and parameters (for instance, one beneficiary can reattribute its grant money to another beneficiary). The consortium agreement thus allows you to customise the EU grant to the needs inside your consortium and can also help to protect you in case of disputes.
- **Balanced project budget** — Grant applications must ensure a balanced project budget and sufficient other resources to implement the project successfully (*e.g. own contributions, income generated by the action, financial contributions from third parties, etc.*). You may be requested to lower your estimated costs, if they are

ineligible (including excessive).

- **No-profit rule** — Grants may NOT give a profit (i.e. surplus of revenues + EU grant over costs). This will be checked by us at the end of the project.
- **No double funding** — There is a strict prohibition of double funding from the EU budget (except under EU Synergies actions). Outside such Synergies actions, any given action may receive only ONE grant from the EU budget and cost items may under NO circumstances be declared to two different EU actions.
- **Completed/ongoing projects** — Proposals for projects that have already been completed will be rejected; proposals for projects that have already started will be assessed on a case-by-case basis (in this case, no costs can be reimbursed for activities that took place before the project starting date/proposal submission).
- **Combination with EU operating grants** — Combination with EU operating grants is possible, if the project remains outside the operating grant work programme and you make sure that cost items are clearly separated in your accounting and NOT declared twice (see [AGA — Annotated Model Grant Agreement, art 6.2.E](#)).
- **Multiple proposals** — Each project application under this call for proposals must address only one of the topics. Applicants may not participate in several proposals under the same topic, with the exception of network or umbrella organisations which are entitled to participate in more than one proposal under the same topic.
- **Resubmission** — Proposals may be changed and re-submitted until the deadline for submission.
- **Rejection** — By submitting the application, all applicants accept the call conditions set out in this Call Document (and the documents it refers to). Proposals that do not comply with all the call conditions will be **rejected**. This applies also to applicants: All applicants need to fulfil the criteria; if any one of them doesn't, they must be replaced or the entire proposal will be rejected.
- **Cancellation** — There may be circumstances which may require the cancellation of the call. In this case, you will be informed via a call or topic update. Please note that cancellations are without entitlement to compensation.
- **Language** — You can submit your proposal in any official EU language (project abstract/summary should however always be in English). For reasons of efficiency, we strongly advise you to use English for the entire application. If you need the call documentation in another official EU language, please submit a request within 10 days after call publication (for the contact information, see [section 12](#)).
- **Transparency** — In accordance with Article 38 of the [EU Financial Regulation](#), information about EU grants awarded is published each year on the [Europa website](#). This includes i) beneficiary names, ii) beneficiary addresses, iii) the purpose for which the grant was awarded, iv) the maximum amount awarded. The publication can exceptionally be waived (on reasoned and duly substantiated request), if there is a risk that the disclosure could jeopardise your rights and freedoms under the EU Charter of Fundamental Rights or harm your commercial interests.
- **Data protection** — The submission of a proposal under this call involves the collection, use and processing of personal data. This data will be processed in accordance with the applicable legal framework. It will be processed solely for the purpose of evaluating your proposal, subsequent management of your grant and, if needed, programme monitoring, evaluation and communication. Details are explained in the [Funding & Tenders Portal Privacy Statement](#).