Single Market Programme (SMP COSME)

Call for proposals

COVID-19 Recovery through sustainable Tourism Growth
and SME Support
(SMP-COSME-2021-TOURSME)

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HISTORY OF CHANGES			
Version	**Publication Date**	**Change**	**Page**
1.0	09.12.2021	▪ Initial version	
2.0	21.01.2022	▪ Clarification provided regarding applicable NACE classes, and additional examples provided in the indicative list;	14/15
		▪ Call deadline extended to 2 March 2022;	18
		▪ Consortium composition clarified further, also in point form;	21
		▪ Deadline for questions extended to 23 February 2022	31

EUROPEAN INNOVATION COUNCIL AND SMEs EXECUTIVE AGENCY (EISMEA)

EISMEA.I – Innovation ecosystems, SMP/Entrepreneurship and Consumers
EISMEA.I.02 –SMP/COSME Pillar

CALL FOR PROPOSALS

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0. Introduction

This is a call for proposals for EU **action grants** in the field of tourism under the Competitiveness of Enterprises and SMEs pillar 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[1]).

The call is launched in accordance with the 2021-2024 SMP Work Programme[2] and will be managed by the **European Innovation Council and SMEs Executive Agency (EISMEA)** ('Agency').

The call covers the following **topic**:

SMP-COSME-2021-TOURSME — COVID-19 Recovery – Sustainable growth in tourism – Support to SMEs

Applicants cannot submit more than one proposal under this call. Applicants may not participate in several proposals.

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)

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[1] 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).

[2] Commission Implementing Decision C(2021) 3046 final of 6.5.2021 concerning the adoption of the work programme for 2021-2024 and the financing decision for the implementation of the Single Market Programme Annex II, as last amended by Commission Implementing Decision C(2021)6940 of 29.9.2021.

- the <u>Online Manual</u> outlines the:

    - procedures to register and submit proposals online via the EU Funding & Tenders Portal ('Portal')

    - recommendations for the preparation of the application

- the <u>AGA — Annotated Grant Agreement</u> 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 <u>EISMEA</u> website to consult the list of projects funded previously.

1. Background

1.1 General policy context

Tourism has been one of the sectors most acutely, and pervasively, affected by the COVID-19 pandemic. Travel bans, lockdowns, and safety concerns all contributed to curtailing the growth and development of the tourism ecosystem across the EU, particularly for accommodation services, air travel, trade fairs and cultural events, with serious spill-over effects on the economic outlook of the Union. On average, tourism contributes to 11% of the EU's GDP.

While the intensive COVID-19 vaccination campaigns across Europe are enabling travelling and local tourism activities to re-commence, the crisis should be taken as an opportunity to steer the tourism ecosystem towards more sustainable, smarter and resilient practices.

The update of the EU Industrial Strategy[3] highlights the need to accelerate the green and digital transitions, giving priority to the ecosystems and sectors that face the most important challenges and that have been most heavily affected by the crisis, such as tourism.

In parallel, the *SME Strategy for a sustainable and digital Europe*[4], adopted in March 2021, identifies capacity building and support to SMEs as a key factor for the transition to sustainability and digitalisation. Micro and SMEs make up for 99.8% of tourism enterprises in the EU, so an updated support strategy targeting their specific challenges can contribute to unleash extended benefits both for the single market, and for the tourism ecosystem.

The Treaty on the Functioning of the European Union (TFEU) outlines the Union's competences in this field (Title XXII Tourism, Article 195), specifying that EU measures to support, coordinate or supplement the actions of the Member States shall be especially aimed at: a) encouraging the creation of a favourable environment for the development of undertakings in this sector; b) promoting cooperation between the Member States, particularly by the exchange of good practices.

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[3] COM(2021) 350 final.
[4] https://ec.europa.eu/info/sites/default/files/communication-sme-strategy-march-2020_en.pdf.

1.2 Specific policy context

The Staff Working Document *Scenarios towards co-creation of transition pathway for tourism for a more resilient, innovative and sustainable ecosystem*[5] details several elements to be taken into account in order to support EU tourism in becoming more sustainable, and it develops from the updated Industrial Strategy[6]. Together, these documents aim at supporting the twin transition to a green and digital economy, highlighting the key role of SMEs in the EU internal market as a primary vehicle of innovation across all ecosystems.

SMEs also are the object of targeted policy measures, such as the *SME Strategy for a sustainable and digital Europe*, mentioned above, which is clearly in line with the twin transition towards enhanced sustainability and digitalisation, and which puts in place a number of actions and tools for SMEs.

The concept of "sustainability" for the eco-system is borrowed from the UN World Tourism Organisation, which considers sustainable tourism as a sector taking "full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities"[7]. Sustainable tourism, therefore, is not only green; it also takes into account the social and economic impact of the value chain on the wellbeing of the local communities at the destination, and, as such, relies on a broad spectrum of legislative and regulatory initiatives, as well as support actions, at EU level.

1.2.1 Environmental impact of tourism

As regards the environmental aspect of sustainability strategies, the regulatory framework underpinning the transition of the tourism ecosystem, is included in the *European Green Deal*[8]. Of particular importance are: Sustainable and smart mobility strategy[9], Sustainable Blue Economy Strategy[10], Circular Economy Action Plan[11], Renovation Wave for buildings[12], Biodiversity Strategy[13], EU Plastics Strategy[14], Farm to Fork Strategy[15], Long-term vision for Rural areas[16], European Climate Pact[17], Zero Pollution Action Plan[18], sustainable finance and taxonomy framework[19]. The Fit for 55 package with its proposals by end 2021 for targeted amendments to Energy Efficiency and Buildings Directive, Energy Tax Directive and EU Emissions Trading System including maritime and aviation, will complement the Green Deal.

At the same time, in the framework of the environmental policy, the European Commission promotes instruments like the EU Ecolabel[20] and EMAS[21] for tourism

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[5] SWD(2021)164 final, https://ec.europa.eu/docsroom/documents/45977.
[6] https://ec.europa.eu/info/strategy/priorities-2019-2024/europe-fit-digital-age/european-industrial-strategy_en.
[7] https://www.unwto.org/sustainable-development.
[8] COM(2019)640 final
[9] COM(2020)789 final
[10] COM(2021)240 final
[11] COM(2020)98 final
[12] COM(2020)662 final
[13] COM(2020)380 final
[14] https://ec.europa.eu/environment/strategy/plastics-strategy_en.
[15] COM(2020)381 final
[16] https://ec.europa.eu/info/strategy/priorities-2019-2024/new-push-european-democracy/long-term-vision-rural-areas_en.
[17] https://europa.eu/climate-pact/index_en.
[18] COM(2021) 400 final
[19] https://ec.europa.eu/commission/presscorner/detail/en/ip_21_1804.
[20] http://ec.europa.eu/environment/ecolabel.

accommodations and other tourism operators[22] to improve their environmental performance and reach and communicate their environmental excellence.

In 2013 the Commission adopted a Communication on *Building the Single Market for Green Products*[23] and a Recommendation on the use of common methods for measuring and communicating the life cycle environmental performance of products and organisations[24]. The Recommendation introduced two methods, the Product Environmental Footprint (PEF) and the Organisation Environmental Footprint (OEF) and recommended to use them '*to Member States, and to private and public organisations that measure or intend to measure the life cycle environmental performance of their products, services or their organisation, or communicate or intend to communicate life cycle environmental performance information to any private, public and civil society stakeholder in the Single Market*'.

The 2020 *Circular Economy Action Plan* and the *Consumer Agenda* foresee that '*the Commission will also propose that companies substantiate their environmental claims using Product and Organisation Environmental Footprint methods*.' This framework stresses therefore the importance of capacity building and know-how among companies, with the view of measuring and improving their environmental performance. Supporting measures are ensured by the Commission through regular trainings, Helpdesk assistance and development of e-learning tools[25].

Indeed, as regards the environmental aspect of sustainability, measurement and monitoring, with clear benchmarking and tracking system, should find a structural role in the management strategies of EU tourism destinations, as it should, in turn, include a sustainability strategy. Applying common ways to measure environmental performance on the SME level will facilitate collecting and combining data on destination and national level, and thereby contribute to the achievement of the carbon-neutrality[26], circular economy and other sustainability objectives for the EU.

However, only about a quarter[27] of SMEs overall in Europe offer green products or services, and there is hardly any strategic data about the environmentally friendly offer on the tourism sector. In the general context of increased awareness and changed consumer preferences, SMEs struggle with changing into more sustainable business practices, due to administrative and legal procedures, besides a lack of clear understanding of issues to be addressed and best ways to implement such new practices.

1.2.2 Economic and social impact of tourism

Sustainability goes beyond the purely environmental context, as it includes also economic and social dimensions:

- Economic sustainability is driven by business models with diversified and innovative tourism offers around the year, which enhance resilience towards fluctuations in external tourist flows;

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[21] http://ec.europa.eu/environment/emas/index_en.htm.

[22] In the Tourism sector, EU Ecolabel criteria exist for Tourism Accommodation Services. EMAS is open to every type of organisation eager to improve its environmental performance. It spans all economic and service sectors and is applicable worldwide.

[23] COM(2013)196, http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri= CELEX:52013DC0196:EN:NOT.

[24] Recommendation (2013/179/EU) http://eur-lex.europa.eu/JOHtml.do?uri=OJ:L:2013:124:SOM:EN:HTML.

[25] https://ec.europa.eu/environment/eussd/smgp.

[26] In line with the sector-specific roadmaps charting the path to climate neutrality prepared under the Climate Law Regulation agreed in April 2021.

[27] 2017 Eurobarometer on SMEs, resource efficiency and green markets.

- Social sustainability is driven by better working conditions for tourism actors, and greater opportunities for up- and re-skilling. It also embeds the consideration of impacts of tourism on local communities, and their well-being.

Promoting tourism all year-round, thereby fighting seasonality and over-tourism, would have a major impact on economic development and job growth. It would make tourism a more economically sustainable business and investment, with clear repercussions on its resilience.

The *European Pillar of Social Rights Action Plan*[28] sets three EU targets by 2030, and actions to meet them, which will have a strong and positive impact on social sustainability within the tourism sector, together with a set of indicators to monitor progress[29]. Regardless of the availability of monitoring tools, the social and economic sustainability of tourism businesses and flows are key elements for the resilience of the sector, and should be supported with all means possible.

Re-skilling and up-skilling are moreover crucial elements to be taken into account when supporting SMEs. The *EU Pact for skills*, launched on 10 November 2020, firmly within the framework of the European Pillar of Social Rights, will also be applied to the tourism sector. In this context, the work carried out by the Next Tourism Generation (NTG) Alliance[30] in identifying a *Blueprint for Sectoral Cooperation to address Skills Needs in the Tourism Sector* can be a useful reference to applicants.

The European Smart Tourism Capital and European Destinations of Excellence (EDEN) competitions have, since 2018, highlighted the numerous good practices already present in the tourism sector across the EU. They also show that there is ample room, and appetite, for peer learning and knowledge sharing among destinations and businesses, as well as among regions and countries. A Compendium of Best Practices is available online[31].

SMEs can also count on an extensive network of support at EU level to transition towards more sustainable business practices, and to do so in a smarter digitally enabled way. For example, the over 600 members of the Enterprise Europe Network[32] (EEN) offer tailored services to SMEs, among whom dedicated Sustainability Advisors and other sustainability services. The support of the EEN can contribute to strengthen visibility and growth within such a proposed action.

The Call for proposals **COS-TOURCOOP-2019-3-01,** "Boosting sustainable tourism development and capacity of tourism SMEs through transnational cooperation and knowledge transfer", already provided good practices to support SMEs in developing innovative and sustainable solutions. These existing examples and models should also be taken into account, not to be replicated in the proposed actions[33].

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

Objectives

This call for proposals is part of the overall COVID-19 recovery strategy for a sustainable tourism ecosystem, whilst being in line with the priorities of the European Commission`s SME strategy and the updated European Industrial Strategy.

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[28] https://op.europa.eu/webpub/empl/european-pillar-of-social-rights/en/#chapter2.
[29] https://ec.europa.eu/eurostat/web/european-pillar-of-social-rights/indicators/social-scoreboard-indicators.
[30] https://nexttourismgeneration.eu.
[31] https://smart-tourism-capital.ec.europa.eu/best-practices_en.
[32] https://een.ec.europa.eu.
[33] https://ec.europa.eu/growth/sectors/tourism/offer/sustainable/transnational-products_en.

The general objective of the call is **to monitor the sustainability performance of SMEs in the tourism sector, whilst boosting their awareness, development and capacity in the area of sustainable innovations.**

The call aims:

- to support tourism SMEs in developing their skills and capacities in sustainable tourism, whilst creating sustainability strategies in line with the needs and priorities of their territory;

- to provide capacity building, value chain insights and technical assistance to SMEs, by applying European sustainability frameworks and tools (such as Environmental footprint methods[34], EMAS[35] and EU Ecolabel[36]);

- to develop a monitoring framework[37] which regularly collects and makes available data on the sustainability performance of the SMEs, in a feasible manner that is interoperable with national statistics systems;

- to foster innovative solutions for sustainable tourism, which can provide business and destinations with heightened resilience to shocks, enhanced social, economic and environmental awareness and responsibility;

- to build effective mechanisms for best practice exchange and dissemination of transferable tools and knowledge between the SMEs, also at a European level.

Themes and priorities (scope)

The call aims to promote sustainability strategies and innovations for sustainability, such as the following themes:

- Tourism linked with the preservation of natural heritage and biodiversity;

- The development of agro-tourism, sport tourism, rural tourism and ecotourism, with particular attention to slow tourism across seasons, and in connection with respecting the authenticity and well-being of host communities;

- The development and support of cultural tourism in connection with both material and non-material cultural heritage.

Activities that can be funded (scope)

The actions proposed under this call for proposals aim at strengthening the competitiveness and sustainability of the SMEs in the tourism sector, through enhanced environmental and market intelligence and exchange of best practices, as well as by boosting capacity of tourism SMEs through transnational cooperation and knowledge transfer.

Applicants are expected to address all of the aspects elaborated upon under 'Objectives' in Section 2 of this call, and reflect these in their planned specific objectives and deliverables. Additional information on compulsory deliverables is also provided hereunder in Section 2.

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[34] Organisation Environmental Method (OEM), Product Environmental method (PEM).

[35] https://ec.europa.eu/environment/emas/join_emas/what_if_i_am_an_sme_en.htm.

[36] EU Ecolabel general and EU Ecolabel for accommodations.

[37] Intended as a system integrated in the business model of SMEs apt at measuring and monitoring data related to sustainability performance.

The proposal has to describe how the consortium will organise and provide direct support to tourism SMEs, to build their capacities in developing and implementing sustainability strategies for their company. The tourism SMEs benefitting from financial support will not form part of the consortium.

The taking up of internationally recognised sustainability/environmental certification and/or specific assessment tools may be included. Consortia are encouraged to promote participation in the relevant EU Certification Schemes (namely EU Ecolabel and EMAS), as also evidenced in the Award Criteria, although other certification schemes will be considered as well.

The actions proposed are expected to facilitate cross-border/transnational cooperation to foster peer to peer learning as well as to support collecting and exchanging knowledge and innovative practices, addressing particularly the vulnerabilities generated and accentuated by COVID-19.

Each proposal must directly support (including financial support) a minimum of eighty (80) tourism SMEs from a minimum of three (3) eligible countries[38].

The supported tourism SMEs must be established in any of the eligible countries of the Call, as defined in Section 6.

The consortium has to support a balanced number of tourism SMEs per country[39]**.**

Each consortium will need to:

- compile their proposal`s specific objectives, and identify the specific tourism sectors they envisage to be covered by their project;

- list the countries in which the consortium intends offering support to tourism SMEs and the proposed number of tourism SMEs per country;

- define specific objectives to be achieved by tourism SMEs participating in the project;

- choose the category/ies of tourism SMEs eligible for financial support, and organise a Call to select tourism SMEs to participate in the proposed support scheme benefitting from **financial support,** in line with the **Guidelines for Awarding Financial Support to Third Parties (Tourism SMEs)** provided on the EISMEA website;

- provide financial support to the selected tourism SMEs in line with the specific provisions identified in this Call (**see here below**);

- organise a simple but robust monitoring framework system on the achievements/progress/uptake of sustainable solutions by tourism SMEs throughout and at the end of the project, via a dedicated deliverable.

- develop sustainability relevant indicators assessed through applied methods and tools (environmental footprint, EMAS, EU Ecolabel, other certification schemes) and

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[38] Refer to Section 6 for 'Eligible Countries'.

[39] If 3 countries are included, the number of SMEs supported must not be less than 20 SMEs per country. From 4 countries, the number of SMEs supported must not be less than 15 SMEs per country. From 5 countries, the number of SMEs supported must not be less than 12 SMEs per country. From 6 countries, the number of SMEs supported must not be less than 10 SMEs per country. From 7 countries, the number of SMEs supported must not be less than 7 SMEs per individual country, etc.).

innovative sustainable practices, to be collected from the tourism SMEs benefitting from financial support via the same deliverable mentioned above.

Examples of eligible project activities include *(the onus is on the consortium to decide on the minimum number of activities, and this list is not exhaustive)*:

1-Dissemination and communication activities

- Communication activities about the project's objectives to reach out to potential tourism SMEs; development and publication of best practice compendium, and transferable tools and models for sustainable tourism, e.g. on water management, diversification of tourism services, managing local food supply chain, etc.;

- Exploitation of project results, for enhanced long-term impact;

2-Capacity building activities:

- Organisation of online and offline trainings, workshops, study visits, awareness raising activities; Production of training and educational materials, webinars;

- Business to business matchmaking, peer learning, knowledge sharing; Organisation of activities to strengthen cooperation of involved tourism SMEs within the tourism ecosystem;

- Organisation of activities which present concrete innovation practices, based on forward-looking market trends that SMEs can engage in, and take forward in their business or business plans;

3-Direct support activities for individual tourism SMEs:

- Technical assistance to SMEs performing PEF/OEF studies or applying for sustainability/environmental certification, such as EU Ecolabel or EMAS[40];

- Mapping of specific needs of target tourism SMEs involved in the project, to improve their development of a sustainability strategy and practices related to sustainable tourism;

- Consultancy for business development, fitness, and regulatory compliance checks; coaching and mentoring services;

4-Project management activities:

- Selection of tourism SMEs for participation in the project's support scheme;

- Reporting on the results of project activities;

- Other activities proposed by project partners in line with the objectives of the call.

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[40] Consortia aiming at including the participation of target tourism SMEs in a certification scheme are encouraged to promote participation particularly in the relevant EU Certification Schemes, namely EU Ecolabel and EMAS, although other certification schemes will also be considered.

All activities listed above must provide clearly identifiable **added value to SMEs** in their business management (see also **section 9**). To ensure that this is the case, all activities must be clearly reported to EISMEA in the course of the project development, via specific deliverables (refer also in particular to Section 2- 'Deliverables') and through periodic reporting. Apart from the expected impact and outcome of the proposal (for more details, please refer to the sub-sections below), importance must be attached to methodologies used, the profile of the training provider, and the quality standard expected. Project reviews might also be requested by EISMEA.

All activities must be implemented in compliance with the applicable requirements to protect personal data under the GDPR and relevant national law.

The applicant must also include, in the budget proposal of the project, the participation of maximum two representatives of the project's consortium (one representative of the coordinating organisation – preferably the project manager himself/herself - and a financial officer) at the **kick-off meeting in Brussels**, organised by EISMEA, at the beginning of the implementation period, if physical meetings are deemed safe to organise according to the updated applicable health protocol.

In their proposals, applicants must elaborate, among others, on the following aspects:

- specify the countries from which the minimum 80 tourism SMEs will be selected to participate in the financial support scheme for SMEs, and give justification for this choice. However, applicants shall not identify these SMEs at application stage as their selection will be done during the project;

- include a description/methodology on the proposed activities and how the consortium will concretely organise the steps mentioned above;

- identify a partner to act as the responsible business support organisation (refer for more details in particular to Section 6);

 - elaborate on the profiles of the proposed project manager/coordinator and of the tourism expert, as referred to under Section 7 – Operational Capacity;

- include a work package specifically targeting monitoring and reporting – through the deliverable mentioned in Section 2 below – on the follow-up of the sustainability relevant assessment data generated by the SMEs, as well as the innovative and sustainable solutions by tourism SMEs supported by the project.

Financial Support to third parties (SMEs)

The Call for Proposals targets **financial support to third parties** (tourism SMEs) alongside the co-financing of other actions.

Financial support has to be provided via an open call in the form such as vouchers, grants and/or lump sums.

The financial support to third parties cannot be provided through services offered by the consortium directly.

In line with the objectives of the call, the financial support will support SME activities, such as:

- Fitness check for tourism SMEs as regards sustainability practices and strategies, and compliance check for upcoming regulations;

- Supporting tourism SMEs preparation and application for sustainability/ environmental certification, such as EU Ecolabel certification and EMAS registration;

- Implementation of the Environmental Footprint Methods as part of the tourism SMEs sustainability strategy development (support the generation of Product Environmental Footprint, PEF, studies and Organisation Environmental Footprint, OEF, studies);

- Supporting the development of the tourism SMEs sustainability strategy and implementing the improvement measures following the recommendations of the PEF/OEF studies;

- Developing mechanisms for tourism SMEs to transparently share sustainability relevant data and information for use by consumers, national tourism offices and other tourism actors;

- Supporting upskilling and re-skilling of tourism SMEs on sustainability, digital innovation and data management;

- Boosting innovation in sustainable and resilient tourism through knowledge transfer and cross-sectoral collaboration;

- Increasing the competitiveness of tourism SMEs by improving their capacity and uptake of innovative sustainable solutions geared towards increased resilience;

- Developing sustainable business strategies in line with forward-looking market trends, to facilitate return of investment and the diversification of service offers;

- Developing socially sustainable tourism models, considering the impact and participation of local communities and reducing problems of over-tourism.

Financial support to third parties (tourism SMEs) is allowed under the following conditions:

— costs for financial support to third parties will be reimbursed at 100%;

— amount for providing financial support to third parties (tourism SMEs, the recipient) must be between 55% and 75% of the total grant amount;

— the maximum amount of financial support to each third party (recipients) may not exceed EUR 10 000;

— financial support to third parties must be limited to the following persons or categories of persons:

  - the recipients must be SMEs, ideally demonstrating or aiming for innovation in tourism. The following is an indicative list of applicable NACE classes[41], yet applicants are free to propose other classes accordingly as long as they relate to SMEs working in tourism:

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[41]   https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Tourism_industries_-_employment#Data_sources

H4910 — Passenger rail transport, interurban

H4932 — Taxi operation

H4939 — Other passenger land transport n.e.c

H5010 — Sea and coastal passenger water transport

H5030 — Inland passenger water transport

H5110 — Passenger air transport

I5510 — Hotels and similar accommodation

I5520 — Holiday and other short-stay accommodation

I5530 — Camping grounds, recreational vehicle parks and trailer parks

I5610 — Restaurants and mobile food service activities

I5630 — Beverage serving activities

N7710 — Renting and leasing of motor vehicles

N7721 — Renting and leasing of recreational and sports goods

NACE division N79 — Travel agency, tour operator reservation service and related activities

R90 - Creative, arts and entertainment activities

R91 - Libraries, archives, museums and other cultural activities

R92 - Gambling and betting activities

R93 - Sports activities and amusement and recreation activities

Financial support must be awarded on the basis of an open call fulfilling the conditions described above, in line with the **Guidelines for Awarding Financial Support to Third Parties** (Tourism SMEs) and must comply with the following conditions:

— the calls must be open, published widely and conform to EU and Member States (where published) standards concerning transparency, equal treatment, conflict of interest and confidentiality;

— the calls must remain open for at least two months;

— the outcome of the call must be published on the participants' websites, including a description of the selected projects, award dates, project durations, and final recipient legal names and countries;

— the calls must have a clear European dimension.

The proposal submitted to the present call must include at least the following elements:

— a fixed and exhaustive list of the different types of activities for which a third party may receive financial support;

— the definition of the persons or categories of persons which may receive

financial support (as mentioned above);

– the criteria and modalities (form of financial support) for awarding financial support;

– the criteria for calculating the exact amount of the financial support;

– the conditions for participation;

– the results to be obtained.

Activities that cannot be funded:

-Development/improvement of the physical infrastructure;

-Projects without developing transnational and cross-sectoral support schemes.

Expected impacts

- Enhanced resilience and competitiveness of tourism SMEs through better uptake of sustainability principles, innovation, and digitalisation (i.e. use of new technologies, greening, data).

- Enhanced awareness and level of application of the European approaches for sustainability, such as environmental footprint methods, EU Ecolabel, EMAS.

- Enhanced transnational cooperation of public and private stakeholders (including SMEs) on assessing and monitoring of tourism impact on sustainability.

- New business models for sustainability, improved environmental performance and enhanced cooperation along the tourism value chain.

- Strategies leading on to increased control of energy, water and material costs, synergies with local communities, new market opportunities for SMEs and start-ups in the tourism sector and for providers of sustainable solutions.

- Increased transnational cooperation on innovation between tourism SMEs as well as between SMEs and incubators, accelerators and knowledge providers.

- Enhanced interest of tourism SMEs to invest in business practices geared towards sustainability increasing practices.

- Improved transnational and cross-border cooperation, knowledge transfer and peer learning.

- Support to recovery of the tourism ecosystem from COVID-19 crisis by providing best practices for recovery investment.

Deliverables (compulsory)

The proposal must include the following deliverables:

– a deliverable - not linked to a request for payment - **giving details on the Call(s) (to be implemented by the consortium) for the selection of third parties (tourism SMEs) to be awarded financial support**. This deliverable must be scheduled at least one month prior to the expected date of publication of the Call(s), and must include a draft of the Call announcement, full Call details (including the applicable methodologies) and a reference to the relevant web page where the full details are to be published. Additional details are provided in the Annex on the dedicated EISMEA webpage: "Guidelines for Awarding Financial Support to Third Parties (Tourism SMEs)".

 - a deliverable - not linked to a request for payment - **elaborating on the evaluation and selection process of the Call organised by the consortium for third parties (tourism SMEs) awarded financial support.** This deliverable must be submitted one month after the conclusion of the evaluation process. Additional details are provided in the Annex on the dedicated EISMEA webpage: "Guidelines for Awarding Financial Support to Third Parties (Tourism SMEs)".

- a deliverable -within the final month of the project- in the form of **a report consisting in a monitoring framework which elaborates on and gathers information on the sustainability characteristics of the tourism SMEs and other relevant indicators**.

- a **technical progress report** covering the first third of the project – not linked to a request for payment - reporting, among others, on tourism SMEs in connection with the support mechanism, i.e. a progress report.

Moreover, concrete output deliverables must relate to the objectives of the project, and are expected to include, for example:

- Sector-specific guides and best practices to support SMEs in take-up of Environmental footprint methods, EMAS and EU Ecolabel[42] on specific tourism sectors or other certification schemes (accommodation, cafes and restaurants, travel services, museums, cultural events, tour services, etc.);

- Report and technical implementation of a monitoring mechanism which collects sustainability relevant data from SMEs in an interoperable data exchange format;

- Educational materials and best practices for SMEs to develop sustainability strategies and implement sustainability tools in different areas of tourism (agrotourism, ecotourism etc.);

- Individual business plans for immediate use by tourism SMEs;

- Published compendium of best practices and transferable tools and strategies for destination managers;

- Published compendium of best practices on sustainable and resilient business innovations by tourism SMEs.

3. Available budget

The available call budget is **EUR 12 420 000**. This budget might be increased by maximum 20%.

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[42] And possibly other internationally recognised certification schemes.

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:	9 December 2021
Deadline for submission:	2 March 2022 – 17:00:00 CET (Brussels)
Evaluation:	March-July 2022
Information on evaluation results:	August 2022
GA signature:	November 2022

5. Admissibility and documents

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)*

- – **mandatory annexes** *(to be uploaded)*:

  - – detailed budget table *(template available in the Submission System)*

- – **supporting documents** *(to be uploaded)*

  - – CVs (short outlines) of the core project team *(to be uploaded in the Submission System)*;

  - – list of previous projects (key projects for the last 4 years) *(template available in the Submission System)*

- tourism expert profile within the consortium team *(model template available on the EISMEA website – see 'Operational Capacity' for more details)*

- project manager/coordinator profile *(model template available on the EISMEA website – see 'Operational Capacity' for more details)*

- business support organisation included in the consortium *(model template available on the EISMEA website – see 'Operational Capacity' for more details)*

- destination management organisation included in the consortium *(model template available on the EISMEA website – see 'Operational Capacity' for more details).*

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 only). 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). Such public and private stakeholders[43] will also be responsible for organising specific activities for tourism SMEs.

- be established in one of the eligible countries, i.e.

    - EU Member States (including overseas countries and territories (OCTs))

    - non-EU countries:

        - listed EEA countries and countries associated to the Single Market Programme or countries which are in ongoing negotiations for an

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[43] Private stakeholders are defined as business incubators, accelerators and business support organisations providing business support to SMEs and start-ups cooperating with providers of sustainable solutions, recycling centres, environmental education centres, social economy associations, professional associations, destination managers.

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

Exceptional funding — Entities from other countries (not listed above) are exceptionally eligible, if the granting authority considers their participation essential for the implementation of the action.

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 eligible. The rules on eligible countries do not apply to them.

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[44].

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'[45]. Please note that 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 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)[46] and entities covered by Commission Guidelines No [2013/C 205/05](#)[47])*. 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).

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[44] See Article 197(2)(c) EU Financial Regulation [2018/1046.](#)
[45] For the definitions, see Articles 187(2) and 197(2)(c) EU Financial Regulation [2018/1046](#).
[46] 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](#).
[47] 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).

For more information, *see Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment*.

Consortium composition

Proposals must be submitted by a trans-national consortium, which complies with the following conditions:

- minimum five (5) and a maximum of eight (8) entities (excluding affiliated entities) from minimum five (5) and a maximum of eight (8) different eligible countries;

- minimum one (1) business support organisation (BSO)[48];

- minimum one (1) destination management organisation (DMO)[49] involved in and dealing with sustainability as applied to the tourism sector;

Eligible activities

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

Projects should take into account the results of projects supported by other EU funding programmes. The complementarities must be described in the project proposals (Part B of the Application Form).

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 conditions set out in section 2 above.

Geographic location (target countries)

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

Duration

Projects should range between 25 and 36 months, from the date of the signature of the contract.

Project budget

Project budgets (maximum grant amount) are expected to range between EUR 900 000 and EUR 1 200 000 per project.

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[48] Within the scope of this Call, a **BSO** relates to a business incubator/accelerator, start-up, lab, innovation hub, university or educational institution, research centre and any other relevant organisation with a proven capacity and experience in running business support activities focused on SMEs.

[49] Within the scope of this Call, a **DMO** is defined as a public or private stakeholder/ authority that manages a local, regional or national tourism strategy in one of the countries forming part of the consortium. DMO responsibilities may include, but are not limited to, taking responsibility for the local tourism offer, sustainable tourism planning/development, and the impact tourism has on the territory. The DMO typically also undertakes additional activities such as business analysis, marketing, strategic and policy implementation, inter-institutional and international relationships.

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);*

- pre-financing 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:

1) *profiles of the staff* responsible for managing and implementing the project (qualifications and experience):

   a) **CVs (short outlines)** of the core project team must be provided which must include:

   b) **a tourism expert with sustainability experience** (to be elaborated also in templates provided on the EISMEA website) and

   c) **a project manager/coordinator with transnational project management experience** (to be elaborated also in the templates provided on the EISMEA website);

2) *description of the consortium participants* (to be elaborated also in the templates provided on the EISMEA website) which must reflect that the consortium includes:

   a) **a business support organization (BSO)** having at least **one (1) year** experience in running business support activities focused on SMEs and

   b) **a destination management organisation (DMO)** having at least **two (2) years** experience in sustainability as applied to the tourism sector.

3) *list of previous projects* (key projects for the last 4 years).

The applicants have to clearly indicate that operational capacity requirements are appropriately met. In this regard, it is strongly recommended that consortia download and compile the four additional model templates that are provided by EISMEA on the dedicated space of the Agency`s website. These templates concern the Tourism Expert, the Project Manager/Coordinator, the Business Support Organisation (BSO) and the Destination Management Organisation (DMO). It is recommended that consortia scan all four documents and convert them into a single pdf, in order to be able to upload it under the "Other Annexes" section of the submission tool.

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[50]:

– 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[51] (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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[50] See Articles 136 and 141 of EU Financial Regulation 2018/1046.
[51] 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.

- 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)

- 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[52]:

- 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 against the operational capacity and award criteria *(see sections 7 and 9)* and then ranked according to their 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) Projects focusing on a theme that is not otherwise covered by higher ranked projects will be considered to have the highest priority.

2) The *ex aequo* proposals 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'.

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[52] See Article 141 EU Financial Regulation 2018/1046.

3) 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.

4) 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.

⚠ 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; participation in relevant certification schemes, particularly the EU Ecolabel and EMAS (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 SMEs, in particular on their business management processes and practices; 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
Overall (pass) scores	**70**	**100**

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.

Project duration:

Projects must range between 25 and 36 months, from the date of the signature of the contract.

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.

A list of compulsory deliverables is provided in Section 2- 'Deliverables'.

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[53]: Yes

- travel and subsistence unit cost[54]: Yes

- equipment costs: depreciation

- other cost categories:

  - costs for financial support to third parties: are allowed for a maximum amount per third party of EUR 10 000. The amount dedicated to financial support to third parties must range from 55% minimum to 75% maximum of the EU grant.

- indirect cost flat-rate: 7% of the eligible direct costs (categories A-D, except exempted specific cost categories, if any)

- 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 **50%** of the maximum grant amount; exceptionally less 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 one or more **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.

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[53] 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).

[54] 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).

⚠ 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 also 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: Yes

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).*

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 EU Login 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 file (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; not applicable for actions by invitation);

–   Portal FAQ (for general questions).

Please also consult the Topic page regularly, since we will use it to publish call updates. (For invitations, we will contact you directly in case of a call update).

Contact

For individual questions on the Portal Submission System, please contact the IT Helpdesk.

Non-IT related questions should be sent by **Wednesday 23 February 2022 close of business** to the following email address: 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 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 —** Applicants cannot submit more than one proposal under this call. Multiple proposals will be rejected.

  Organisations may not participate in several proposals.

- **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 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:
    o beneficiary names
    o beneficiary addresses
    o the purpose for which the grant was awarded
    o 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.