



Single Market Programme (SMP COSME)

Call for proposals

Sustainable Growth and Building Resilience in Tourism

Empowering SMEs to carry out the twin transition

SMP-COSME-2022-TOURSME

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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 tourism under the Competitiveness of Enterprises and SMEs strand 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 (EU) [2021/690](#)¹).

The call is launched in accordance with the 2021-2024 SMP Work Programme² and will be managed by the **European Innovation Council and SMEs Executive Agency (EISMEA)** ('Agency').

The call covers the following **topic**:

SMP-COSME-2022-TOURSME – Sustainable growth and building resilience in tourism – Empowering SMEs to carry out the twin transition

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)

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) and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014 and (EU) No 652/2014 (OJ L 153, 3.5.2021, p. 1-47).

² Annex 2 to the Commission Implementing Decision C(2022) 724 of 17 February 2022 on the financing of the 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 and the adoption of the work programme for 2022 -Action 2.7 - Sustainable growth and building resilience in tourism – empowering SMEs to carry out the twin transition, as amended by the Commission Implementing Decision C(2022)5587 of 10 August 2022, https://ec.europa.eu/info/publications/single-market-programme-legal-texts-and-factsheets_en.

- 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')
 - 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

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.

In February 2022 the Commission published the *Transition Pathway for Tourism*,³ a document which sets out 27 areas of work to drive the sector towards becoming more sustainable, smarter, and more resilient. In parallel, the *SME Strategy for a sustainable and digital Europe*⁴, adopted in March 2020, 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.

1.2 Specific policy context

The *Transition Pathway for Tourism* makes a reference to the inter-connections between tourism and other sectors (such as, but not limited to agri-food, construction, health, retail, proximity, social economy and civil security, etc.). In light of this, measures and actions to support the twin transition of tourism need to take into account its cross-cutting nature, with a horizontal approach whereby coordination among governance levels, and if needed, cross-fertilisation across sectors, are ensured.

The competitiveness of the EU tourism industry will largely depend on its capacity to meet the need and customer demand to become more sustainable. As such, 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

³ [Transition pathway for tourism - Publications Office of the EU \(europa.eu\)](#).

⁴ https://ec.europa.eu/info/sites/default/files/communication-sme-strategy-march-2020_en.pdf.

needs of visitors, the industry, the environment and host communities”⁵. In this sense, the relation between a more sustainable, and a more resilient sector is straightforward.

The attractiveness and visibility efforts relating to the tourism product, besides attention to health and safety standards, are key elements to consider in order to ensure that the tourism industry stays resilient. This is of particular importance for the more remote and rural regions of the EU, where the transition to a more sustainable and resilient ecosystem has its own specific challenges.

1.2.1 Environmental aspects of sustainability

According to Flash Eurobarometer 498 (March 2022), most SMEs surveyed are implementing measures to be more resource efficient. 89% are taking at least one action, and the most common resource efficiency measures are minimising waste (64%), saving energy (61%), saving material (57%), recycling by reusing material or waste within the company (47%) and saving water (46%). However, 9% of SMEs surveyed across the EU are not taking any action, and there is hardly any strategic data about the environmentally friendly offer on the tourism sector⁶. 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.

Additional elaboration on how SMEs can increase their environmental sustainability can be found in the European Commission`s publication “Annual report on European SMEs 2021/2022: SMEs and Environmental Sustainability”⁷.

1.2.2 Economic and social aspects of sustainability

Economic sustainability is driven by business models with diversified and innovative tourism offers around the year. Different target segments enhance resilience relating to fluctuations in seasonal tourist flows.

Social sustainability in the other hand 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 good management of the tourism offer and of the visitors` flows can link locally authentic offers with interests of visitors in a sustainable manner and enrich local and national economy, community development, as well as cultural exchanges and understanding.

⁵ <https://www.unwto.org/sustainable-development>.

⁶ 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*. Of particular importance are: Sustainable and smart mobility strategy, Sustainable Blue Economy Strategy, Circular Economy Action Plan, Renovation Wave for buildings, Biodiversity Strategy, EU Plastics Strategy, Farm to Fork Strategy, Long-term vision for Rural areas, European Climate Pact, Zero Pollution Action Plan, sustainable finance and taxonomy framework. The Fit for 55 package with its proposals for targeted amendments to Energy Efficiency and Buildings Directive, Energy Tax Directive and EU Emissions Trading System including maritime and aviation, complements the Green Deal.

⁷ [Annual report on European SMEs 2021/2022 - Publications Office of the EU \(europa.eu\)](#)

In September 2021, a joint report by UNWTO and Netflix has for instance looked into the impact of screen tourism for the promotion of cultural affinity.⁸ Screen tourism is a relatively recent trend in the EU, stemming from digital innovation and internet entertainment services; it builds on, and it enhances, the well-established benefits of exchange programmes, such as Erasmus, in strengthening cultural ties between countries.

Additionally, re-skilling and up-skilling are crucial elements to be taken into account when supporting SMEs. The *EU Pact for skills*, launched on 10 November 2020, within the framework of the European Pillar of Social Rights, is also being applied to the tourism sector. In this context, the work carried out by the Next Tourism Generation (NTG) Alliance⁹ in identifying a *Blueprint for Sectoral Cooperation to address Skills Needs in the Tourism Sector* can be a useful reference to applicants.

1.2.3 Digitalisation as an enabler for sustainability

In 2021, the European Commission presented a vision for Europe's digital transformation by 2030. The Digital Compass¹⁰ evolves around four areas of actions, setting out targets to monitor progress: skilling and upskilling; secure and sustainable digital infrastructures; the digitalisation of public services; and the digital transformation of businesses. The latter applies to SMEs directly, and, among others, includes the target of more than 90% of SMEs reaching at least a basic level of digital intensity by 2030.

The *Transition Pathway for Tourism* brings this framework into focus for the tourism sector. As the document points out, the pervasiveness in society and the economy of digital tools, besides the scope and reliance on the generation, collection, use and re-use of data, can transform services, in tourism alongside other sectors.

As is the case for greener practices, SMEs have difficulties in keeping up with the accelerated speed of the transition, while at the same time being structurally more vulnerable to market shocks or disruptions than large companies. Their resources are more scarce, and investments need to be coupled by highly skilled and specialised labour. The successful transition of entire ecosystems to sustainability and digitalisation hinges upon SMEs being able to take part in this process.

1.2.4 Supporting initiatives and examples for SMEs with relevance for sustainability

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 online¹¹.

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 Network¹²

⁸ [Cultural Affinity and Screen Tourism – The Case of Internet Entertainment Services | World Tourism Organization \(e-unwto.org\)](#).

⁹ <https://nexttourismgeneration.eu>.

¹⁰ [Europe's Digital Decade: digital targets for 2030 | European Commission \(europa.eu\)](#)

¹¹ https://smart-tourism-capital.ec.europa.eu/best-practices_en.

¹² <https://een.ec.europa.eu>.

(EEN) offer tailored services to SMEs, among whom dedicated Sustainability Advisors and other sustainability services. The European cluster collaboration platform¹³ also provides opportunities to find partners and links with other organisations developing sustainability aspects of tourism. By providing access to technical expertise and experimentation as well as the possibility to 'test before invest', the European Digital Innovation Hubs¹⁴ also help companies improve business/production processes, products, or services using digital technologies.

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 facilitated the provision of 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 actions¹⁵.

For any micro, small, or medium enterprises, transforming or even adjusting their business models to become greener, more competitive, more inclusive, and more resilient, can be a daunting prospective, even in the consideration of the expected benefits within the single market and internationally. For this reason, working in partnership with experts, innovation hubs, other business in the same or in different sectors, or training centres (the list is non-exhaustive), according to their specific needs, can add value to their business and vision. This kind of support constitutes a clear link with the goals of this call for proposals.

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

2.1 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. Specifically, this call for proposals supports the objectives and ambitions of the Transition pathway for tourism, strategic document developed collaboratively with tourism stakeholders to support green and digital transition and resilience of the EU tourism ecosystem.

The general objective of the call is to enhance the competitiveness of SMEs¹⁶ in the tourism sector, by building capacity of SMEs to successfully carry out the twin green and digital transition, and to boost innovation, resilience, sustainability and quality along the tourism value chain.

Within the general objective, more specifically the call aims:

1. to foster innovative solutions for sustainable tourism, which can provide SMEs and destinations with new business models, innovative services to meet with changing tourism demand, and heightened resilience to shocks;

¹³ <https://clustercollaboration.eu>.

¹⁴ [European Digital Innovation Hubs | Shaping Europe's digital future \(europa.eu\)](https://ec.europa.eu/eip/eip-dih/eip-dih_en).

¹⁵ https://ec.europa.eu/growth/sectors/tourism/offer/sustainable/transnational-products_en.

¹⁶ https://ec.europa.eu/growth/smes/sme-definition_en. For the purpose of this Call, the definition also includes start-ups.

2. to provide support to SMEs, so that these can plan and carry out improvements through the development/implementation/scaling-up of products, processes, services and/or business models that enhance sustainable, digital and inclusive tourism;
3. to adopt existing or build new effective mechanisms for the exchange of best practices and dissemination of transferable tools and knowledge sharing between SMEs, particularly at a European level.

2.2 Themes and priorities (scope)

In view of the diverse levels of maturity shown by SMEs across the sector in regards to practices conducive to higher sustainability, digitalisation, and resilience, a solution can be considered innovative within a wide range – few examples being: highly sophisticated technological applications, more resource-efficient operations, a transformed, modern system of local governance, vibrant public-private partnership schemes. Whenever possible, actions need to raise awareness among stakeholders regarding the work of the European Commission.

This call for proposals seeks to promote themes such as the following (the list is not exhaustive):

- The development of responsible and diversified tourism offers, with particular attention to the challenges related to seasonality;
- Experiences based on regenerative tourism, respecting the authenticity of local tourism offers whilst contributing to the well-being of host communities. This includes tourism SMEs interested in cooperation and local engagement with residents, like-minded entrepreneurs, and/or with local authorities;
- The development of tourism services that are open and accessible to different travel groups and needs, such as families, handicapped, the elderly, LGBTQ+, or catering for the emerging trends, e.g. digital nomads (remote workers) and educational tourism;

As a way of example, partnerships between child care and tourism service providers could boost the attractiveness of destinations and tourism services normally overlooked by families who need welcoming facilities for children, for the duration of their stay. Another example is that SMEs in the hospitality sector could benefit from practical training on how to make destinations and accommodation safe and welcoming for LGBTQ+ travellers.

- Cultural tourism initiatives concerning both material and non-material cultural heritage.

SMEs could for instance benefit from digital channels, including entertainment channels, to promote interest in culturally specific environments, local histories and culturally authentic experiences, in partnerships between SMEs in tourism, culture, hospitality, local events and digital entertainment;

- Tourism growth linked to the preservation and regeneration of natural heritage and biodiversity, as well as climate-related actions.

As a way of example, raising awareness of the traveller by actively involving him/ her in the experience of biodiversity preservation and regeneration (e.g. educating on habitat loss and degradation, invasive species, pollution and overexploitation, engaging in planting trees or support for local animal species). Tourism experience could be linked with wildlife observation, and/or with educational and constructive activities on endangered species. Developing

tourism business models that positively contribute to the regeneration and conservation of biodiversity, preservation of protected areas (e.g. NATURA 2000) is another possibility.

2.3 Activities that can be funded (scope)

In order to achieve the general and specific objectives of the present call, **the selected transnational consortia must ensure that the following three main activities are all included in their proposals.**

1. State of art and best practices

The **compilation of a list or compendium of lessons learnt and/or best practices concerning the needs of SMEs** as identified in the support scheme and as elaborated upon hereunder, based on the local experiences during recent years (especially during COVID). To facilitate browsing, the list or compendium should be organised in thematic axes, as defined in the Transition Pathway for Tourism. It should also help assess the success and replicability of the projects supported. It is planned that the list or compendium will also be made available for publication in the upcoming Together for EU Tourism (T4T) collaborative platform set up by the European Commission to accompany the implementation of the Transition Pathway for Tourism.

2. Capacity building for SMEs

a) Technical and financial support to SMEs

The applying consortia shall put in place a support mechanism to provide technical and financial support to SMEs in tourism, based on their needs and requirements.

This must be done by:

- i. **Selecting via a transparent and open process at least 50 innovative projects submitted by third parties ('innovative projects')** that enable the development, implementation and scaling-up of innovative solutions for sustainable, digital and inclusive tourism and that clearly contribute to innovating the offer in the tourism ecosystem.

The selected projects are expected to be innovative with regard to the current socio-economic context, replicable, and in line with the policy priorities established at EU level, as identified in the Transition Pathway. The proposed solutions must be focused on innovative products, processes, services, and/or business models, and may include a variety of activities contributing to the achievement of such goals. These include, but are not limited to: services for SMEs to implement their business ideas; product development; market studies; development and analysis of business plans; intellectual property development; promotion and communication activities; training for staff; software licenses; entry fees/travel to business meetings/trade fairs/trainings; transition processes including EMAS registration and/or EU Ecolabel/other recognised certification schemes, leading on to environmental sustainability.

- ii. **Providing direct financial support through a lump sum** to the selected innovative projects.

iii. **The innovative projects can be submitted by any of the following third parties:**

- A single tourism SME;
- A partnership of minimum two (2) and maximum four (4) tourism SMEs;
- A partnership comprising minimum two (2) and maximum (4) partners, including minimum one (1) tourism SME and minimum one (1) public or private entity that is/are instrumental for the tourism SME(s) to realise the project.

Each partnerships:

- May pre-exist or result through a match making process supported by the consortium;
- Shall be composed by third parties based in the same country.

For the sake of this call, tourism SMEs are those SMEs operating within any applicable NACE class¹⁷ provided that their activities are relevant (and, ideally, innovative) to the tourism ecosystem. An indicative and non-exhaustive list of applicable NACE classes is:

- 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
- N79 — Travel agency, tour operator reservation service and related activities
- N82.3 — Organisation of conventions and trade shows
- 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

Importantly:

- **The amount dedicated to financial support to third parties must be minimum 60% of the EU grant;**
- The financial support provided specifically as a lump sum under the technical and financial support scheme must **range between minimum EUR 20,000 and maximum EUR 30,000 per each supported innovative project;**
- **At least 70% of the financial support must be dedicated to the SME/s included in each supported innovative project;**
- **The financial support cannot be used to reimburse or purchase services provided by the applying consortia.**
- The third parties shall be based in one of the eligible countries as defined in Section 6.

¹⁷ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Tourism_industries_-_employment#Data_sources.

- The supported innovative projects shall come from minimum three different eligible countries (as defined in Section 6) and the distribution among the countries shall be balanced¹⁸.
- iv. **Monitoring closely the SMEs and partnerships participating in the support scheme**, as regards the implementation of their innovative projects, and reporting regularly on the progress to EISMEA;
- v. **Providing technical support and ad-hoc mentoring**. In their proposal, the applicants are also expected to elaborate on the type of technical support and ad-hoc mentoring intended to be provided to the SMEs, in order to enable them to plan and carry out improvements in terms of sustainability and digitalisation of their operations.

The selection process of these innovative projects may be organised as a (the list of examples is non-exhaustive):

- Hackathon;
- Competition;
- Call for proposals.

Applicants must explain in their proposal the selection procedure they plan to develop in line with the principles of transparency and equal treatment. The proposals must include the criteria for awarding financial support. The criteria must include among others:

- Innovation potential of the business idea;
- Feasibility of the business idea;
- Replicability/transferability of the business idea;
- Contribution of the business idea or the considered improvements to the objectives of the Transition Pathway for Tourism and the scope of this call (as defined in point 2, section "Themes and Priorities");
- The participants' capacity, competence, and commitment to implement the business idea through long-term sustainability.

b) Trainings and knowledge transfer to SMEs

The applying consortia shall put in place and execute a plan through which they will organise large scale **capacity training and knowledge transfer activities for SMEs in the tourism sector**. The aim is to reach the widest possible range of SMEs in the most effective way.

Activities must relate to the following tasks (the list of examples is non-exhaustive):

- Based on the identification of specific challenges and opportunities¹⁹, help tourism SMEs develop new and innovative tourism offers that are open and accessible to different and emerging travel groups and needs, such as

¹⁸ If 3 eligible countries are included, the number of the supported innovative projects must not be less than 15 innovative projects per country; for 4 countries, the number of supported innovative projects must not be less than 12 innovative projects per country; for 5 countries, the number of supported innovative projects must not be less than 9 innovative projects per country; for 6 countries, the number of supported innovative projects must not be less than 8 innovative projects per country; for 7 countries, the number of supported innovative projects must not be less than 6 innovative projects per individual country etc.

¹⁹ Examples include business trends, consumer expectations and best practices that can be transferable from one location to another, from one ecosystem to another, from one business to another, from bigger to smaller businesses etc.

digital nomads (remote workers), education oriented tourism, families, travellers with special needs, the elderly, LGBTQ+;

- Based on the identified practical avenues for the transition to more sustainable, innovative and digital tourism practices, in the context of the Transition Pathway for Tourism Ecosystem, help tourism SMEs to develop skills and capacities relating to the sustainable and digital tourism offer and products.

Capacity building and awareness raising for SMEs may be carried out by organising and developing (the list is non-exhaustive):

- content/guidance material, procedures and/or best practices,
- collaborative workshops,
- individual and group coaching,
- peer to peer learning,
- boot camps,
- physical and online training courses,
- webinars,
- other forms of support to SMEs in tourism in various areas, according to their needs.

Applicants shall explain in their proposal how they plan to:

- Develop large scale capacity training and knowledge transfer activities;
- Reach the widest number of SMEs;
- Execute effectively the activities.

Furthermore, **the applicants must indicate the intended number of SMEs to be reached, their geographical scope and provenance.**

3. Capacity building for local tourism ecosystems

The funded proposals are intended to serve as lighthouses in sustainable and digital tourism, and to become a point of reference for local tourism ecosystems on how to achieve innovative solutions for sustainable tourism, which can provide businesses and destinations with new business models, innovative services to meet with changing tourism demand, and heightened resilience to shocks.

Applicants must explain in their proposal **the way they plan to execute this action, including the intended number of key players to be reached, particular ecosystems and the geographical scope.** In this regard, the activities supported by the applying consortia must be in line with the 27 key areas of action identified by the Transition Pathway for Tourism, and each applying consortium should specify a specific theme or focus area under which they will be supporting SMEs.

The activities in this action shall moreover aim at involving a large number of key players from different sectors, not only tourism, that relate to the local tourism ecosystem. The involvement of key players from different sectors shall contribute to cross-fertilisation and spill-over effects.

The applying consortium is therefore expected to showcase collaboration, good practices and project results at national, transnational and EU level, and exchange knowledge cross-border to facilitate potential replication by other tourism ecosystems. This may be done through the following activities (the list is non-exhaustive):

- Dedicated communication campaigns;
- Awareness raising campaigns;
- Collaborative workshops;

- Dissemination and networking events;
- The publication of user-friendly materials for guidance and best practices.

This action shall partially build on the inputs from the results and achievements of actions number one and two. First, it aims at capacity building for the local tourism ecosystems on how to facilitate the means for tourism SMEs to become more innovative, digital and sustainable. Second and partially consequent to the first, it aims at showcasing how local ecosystems can become resilient in case of crisis (such as COVID or seasonality).

Further to the above, applying consortia applicants must also include in their proposals the following aspects:

- a description and methodology on the proposed activities and how the applying consortium will concretely organise the steps mentioned below;
- elaboration on how they will continue to exploit the knowledge and networks developed during the project for supporting SMEs after the end of the co-financing period, with clear insights on financial and human resources considerations.
- 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.

Activities that cannot be funded

The development or improvement of a physical infrastructure, such as, for example, office furniture or renovation of the building will not be considered as eligible activities.

Expected impacts

- Enhanced resilience and competitiveness of tourism SMEs through better uptake of sustainability, innovation, and digitalisation principles and practices.
- Enhanced transnational cooperation of public and private stakeholders in tourism, in line with the areas for actions identified at EU level.
- New business models for tourism actors which support environmental, social, cultural and economic sustainability and enhanced cooperation along the tourism value chain.
- Demonstrated strategies and business models with strong synergies with local communities
- Innovative ways to provide tourism services for different target audiences for SMEs, micro enterprises, start-ups and self-employed entrepreneurs in the tourism sector and for providers of services in related sectors.
- Increased 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 following deliverables are compulsory:

- a deliverable – marked as dissemination level ‘public’ relating to the **compilation of a user-friendly list or compendium of lessons learnt, and/or best practices**, concerning the needs of SMEs as identified in the business support scheme, and the vulnerabilities generated and accentuated by COVID-19. The list or compendium should be organised in thematic axes, as defined in the Transition Pathway for Tourism, to facilitate browsing, and should help assess the success and replicability of the projects supported. The deliverable must be scheduled **two months** prior to the end of the co-financing period.
- a deliverable - giving **details of the selected process vis-à-vis technical and financial support to SMEs - concerning the methodology to choose a minimum of 50 innovative projects**. This deliverable must be scheduled at least **one month** prior to the expected launch date, and must include a draft of the announcement and full details (including the applicable methodologies). Additional details are provided in the Annex on the dedicated [EISMEA webpage](#): “Guidelines for Awarding Financial Support to Innovative projects submitted by third Parties”.
- a deliverable - elaborating on the **evaluation process and selection of the minimum 50 innovative projects, besides the expected costs, actions, targets, deliverables and impact of the projects**. This deliverable must be submitted at least **two months** prior to the end of the co-financing period.
- a **technical progress report** covering the first third of the project duration reporting, among others, on the selection, and, where possible, development of the innovative projects, in the framework of the needs of SMEs as identified by the consortia, the vulnerabilities generated and accentuated by COVID-19, and, if applicable, of the thematic area identified by the applying consortia.
- two deliverables - detailing the **communication and dissemination strategy set up by the consortia**, elaborating in particular, but not exclusively, on online and social media initiatives, as well as knowledge sharing and collaboration activities on a national and transnational level. A first deliverable must be submitted after **six months** into the project, and the strategy must thereafter be updated, adapted and completed as a second deliverable around two-thirds into the co-financing period.

3. Available budget

The available call budget is **EUR 20 500 000**. This budget might be increased by maximum 20%.

EISMEA reserves 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:	06 September 2022
<u>Deadline for submission:</u>	30 November 2022 - 17:00:00 CET (Brussels)
Evaluation:	December 2022 – April 2023
Information on evaluation results:	April/May 2023
GA signature:	July 2023

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: use and upload only 'Detailed Budget Table SMP COSME GFS 90 template'***)
- **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*)
 - Supporting documents related to the Operational capacity (*see section 7. Financial and operational capacity and exclusion*).

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/stakeholders)²⁰.
- 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 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*).

²⁰ 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.

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 persons²¹.

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'²².  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)*²³ and entities covered by Commission Guidelines No [2013/C 205/05](#)²⁴). 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

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

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

²¹ See Article 197(2)(c) EU Financial Regulation [2018/1046](#).

²² For the definitions, see Articles 187(2) and 197(2)(c) EU Financial Regulation [2018/1046](#).

²³ 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](#).

²⁴ 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).

ii. From the entities above in i):

- minimum two (2) business support organisations (BSO)²⁵ from two (2) different eligible countries;
- minimum one (1) destination management organisation (DMO)²⁶, offering deep knowledge of the tourism ecosystem to the consortium, and capacity building to the local ecosystem, and acting as multiplier for the lessons learnt. If more DMOs are involved, they need to originate from different eligible countries;
- at least one (1) legal entity with proven capacity of knowledge transfer to, and training of SMEs, such as a university, training centre or research centre;
- at least one (1) legal entity with proven specialized competence in communication and dissemination, which they will put at disposal of the consortium.

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 and in compliance with the "Guidelines for Awarding Financial Support to Innovative projects submitted by third Parties". (see the Annex on the dedicated [EISMEA webpage](#)).

Geographic location (target countries)

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

Duration

Projects should range between 24 and 36 months, from the date of the signature of the grant agreement. Extensions are only possible, if duly justified and through an amendment.

²⁵ Within the scope of this Call for proposals, a **BSO** relates to a business incubator or 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.

²⁶ Within the scope of this Call for proposals, a **DMO** is defined as a public or private stakeholder or 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.

Project budget

Project budgets (maximum grant amount) are expected to range between EUR 2 000 000 and EUR 4 000 000 per project.

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:
 - **a project manager/coordinator with transnational project management experience** (using the template provided on the EISMEA website see below) and
 - **a tourism expert with sustainability experience** (using the template provided on the EISMEA website see below) and
 - **an expert with proven competence in providing capacity building and knowledge transfer to SMEs**, ideally alongside a deep understanding of the tourism ecosystem using the template provided on the EISMEA website see below).
 - 2) *description of the consortium participants* (using the templates provided on the EISMEA website see below) which must reflect that the consortium includes:
 - a) two business support organization (BSO) from two (2) different eligible countries having at least **two (2) years'** experience each in running business support activities focused on SMEs;
 - b) a destination management organisation (DMO) having at least **two (2) years'** experience in sustainability as applied to the tourism sector;
 - c) a legal entity with **proven capacity of knowledge transfer to and training of SMEs**, such as a university, training centre or research centre, **having implemented at least two (2) such projects in the last four (4) years;**
 - d) a legal entity with **proven specialized competence in communication and dissemination, having implemented at least two (2) such projects in the last four (4) years**, in order to act as a multiplier for all consortium communication and dissemination activities.

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 seven additional templates** that are provided by EISMEA on the dedicated space of the [Agency`s website](#). These templates concern the Project Manager/Coordinator, Tourism Expert, Capacity Building Expert, the Business Support Organisation (BSO), the Destination Management Organisation (DMO), the Knowledge Transfer Legal Entity and the Communication/Dissemination Legal Entity. **Different experts must be included for the individual profiles** (therefore, for instance, the project manager cannot also occupy the role of the requested tourism or capacity building expert).

It is recommended that consortia scan all seven 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.

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

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 participate²⁷:

- 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 misconduct²⁸ (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)
- 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 that²⁹:

- 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).

²⁷ See Articles 136 and 141 of EU Financial Regulation [2018/1046](#).

²⁸ 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.

²⁹ See Article 141 EU Financial Regulation [2018/1046](#).


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'.
- 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/transnational 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; understanding of current tourism SME support needs and challenges linked to preparing the EU tourism ecosystem for an effective twin transition; appropriate procedures and problem-solving mechanisms for cooperating within the project teams and consortium; ability to network with large BSO umbrella organisations such as but not limited to the European Enterprise Network (EEN) and the Cluster Collaboration Framework (**30 points**)
- **Impact:** ambition and expected long-term impact of results on SMEs, in particular on their business management processes and practices and in their ability to participate and drive the twin transition of EU tourism; 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 24 and 36 months (extensions are only possible, if duly justified 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.

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:
 - o SME owner/natural person unit cost³⁰: Yes
- travel and subsistence unit cost³¹: Yes
- equipment costs: depreciation
- other cost categories:
 - o costs for financial support to third parties: are allowed under the conditions set out in section 2 of this call for proposals in the form of lump sums ranging between minimum EUR 20,000 and maximum EUR 30,000 for each selected innovative project.
- 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

³⁰ 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).

³¹ 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).

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.

⚠ 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:

- i. limited joint and several liability with individual ceilings — *each beneficiary up to their maximum grant amount*
- ii. unconditional joint and several liability — *each beneficiary up to the maximum grant amount for the action*

or

- iii. 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 EU Login 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 23 November 2022, 17:00 CET Brussels time** 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 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:

- beneficiary names
- beneficiary addresses
- the purpose for which the grant was awarded
- 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](#).