



EUROPEAN COMMISSION

Executive Agency for Small and Medium-sized Enterprises (EASME)

# **CALL FOR PROPOSALS**

Information platform on parcel delivery services

**COS-IPPDS-2015-2-02**

**COSME Work Programme 2015**

# Table of Contents

1. INTRODUCTION AND BACKGROUND .....	4
1.1. Introduction .....	4
1.2. Policy Context.....	4
2. OBJECTIVE(S) – THEME(S) – ACTIVITIES – OUTPUTS .....	5
2.1 Objectives of the action .....	5
2.2 Description of the activities.....	6
2.3 Indicators for the action.....	7
3. TIMETABLE .....	8
4. BUDGET AVAILABLE AND FUNDING OF PROJECTS.....	8
5. ADMISSIBILITY REQUIREMENTS .....	8
6. ELIGIBILITY CRITERIA .....	9
6.1. Eligible applicants.....	9
6.2. Eligible consortia .....	9
6.3 Implementation period.....	10
7. EXCLUSION CRITERIA .....	10
7.1. Exclusion from participation: .....	10
7.2. Exclusion from award:.....	11
7.3. Supporting documents .....	11
8. SELECTION CRITERIA.....	11
8.1. Financial capacity .....	11
8.2. Operational capacity .....	12
9. AWARD CRITERIA.....	12
10. LEGAL COMMITMENTS .....	13
11. FINANCIAL PROVISIONS .....	14
11.1 General Principles .....	14
11.2 Funding forms .....	15
11.3 Payment arrangements .....	18

11.4 Pre-financing guarantee .....	18
12. PUBLICITY .....	18
12.1 By the beneficiaries.....	18
12.2 By EASME .....	19
13. DATA PROTECTION .....	19
14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS .....	20

# 1. INTRODUCTION AND BACKGROUND

## 1.1. Introduction

Small and medium-sized enterprises (SME) play a crucial role in reaching the objectives of the Europe 2020 Strategy<sup>1</sup>. Whereas they are considered as crucial engines for growth and job creation, their competitiveness is affected by a limited exploitation of international opportunities and innovation prospects in the Single Market and beyond.

In this context, the Programme for the competitiveness of enterprises and small and medium-sized enterprises (2014-2020)<sup>2</sup>, hereinafter referred to as “COSME”, aims to promote growth and to strengthen the competitiveness and sustainability of enterprises in the European Union.

This call constitutes part of the COSME Work Programme 2015 adopted on the 29 October 2014<sup>3</sup> and amended by Commission Implementing Decision C(2015)3767 of 9 June 2015<sup>4</sup>.

The contracting authority is the Executive Agency for Small and Medium-sized Enterprises<sup>5</sup> (hereinafter referred to as "EASME"). EASME is, *inter alia*, entrusted by the European Commission with the implementation of parts of the COSME programme and the Horizon 2020 programme.

## 1.2. Policy Context

The objective of this call for proposals is the setting-up and maintenance of a web information platform on parcel delivery services. The platform would aim at promoting the take-up of cross border e-commerce and at creating an environment that allows Small and Medium Enterprises to take part in the cross border e-commerce growth.

E-commerce is a key driver for growth and jobs. However, while domestic e-commerce rates are growing in most of the EU Member States, cross-border e-commerce (i.e. buying or selling goods from or to another Member State) is not following the same pace. Amongst other barriers, retailers often refer to a lack of transparency in information about cross border delivery, the lack of interoperability between the different operators typically involved and the excessive costs of low volume shipments. These problems make it difficult for e-retailers to offer to their final consumers a satisfying e-commerce experience.

---

<sup>1</sup> COM (2010)2020 final of 3 March 2010 “Europe 2020. A strategy for smart, sustainable and inclusive growth”.

<sup>2</sup> Regulation (EU) No 1287/2013 of 11 December 2013 (Official Journal of the European Union L 347/33 of 20.12.2013).

<sup>3</sup> Commission Implementing Decision C(2014)8044 of 29 October 2014 on the adoption of the work programme for 2015 and the financing for the implementation of the Programme for the Competitiveness of Enterprises and Small and Medium-sized enterprises.

<sup>4</sup> Commission Implementing Decision C(2015)3767 of 9 June 2015 amending Implementing Decision C(2014)8044 concerning the adoption of the work programme for 2015 and the financing for the implementation of Programme for the Competitiveness of Enterprises and Small and Medium-sized enterprises.

<sup>5</sup> EASME was set up by Commission Implementing Decision 2013/771/EU of 17 December 2013 establishing the Executive Agency for Small and Medium-sized Enterprises and repealing Decisions 2004/20/EC and 2007/372/EC (Official Journal of the European Union L 341/73 of 18.12.2013).

On cross-border prices, studies show that listed tariffs for cross-border parcel delivery charged by national postal operators are estimated to be two to five times higher than domestic prices<sup>6</sup>. A recent Eurobarometer on obstacles to cross border e-commerce, found that out of all companies interviewed who currently do not sell online but are currently trying to do so, 62% find delivery costs an obstacle<sup>7</sup>.

Cross border e-commerce shipments originating from small and medium e-retailers are particularly affected by high prices, as they are less likely to involve high volumes. In this rapidly developing cross border e-commerce environment, SMEs appear to lack the negotiating power that would allow them access more affordable delivery service offers and thus enter the e-commerce market and compete more effectively against larger firms.

Furthermore, e-retailers, in particular smaller ones, suffer from insufficient information on the parcel delivery services potentially available to them and delivery operators do not necessarily offer delivery services that meet the specific needs of e-retailers.

These barriers have already been highlighted by the European Commission in the *Green Paper on an integrated delivery market to boost e-commerce in the EU*<sup>8</sup> and in the *Commission's roadmap for completing the single market for parcel delivery*<sup>9</sup>. In these documents, the Commission analyses the delivery related obstacles around four areas of potential inefficiency: lack of information, high costs for low volume cross border shipping, delivery services which do not meet the consumer needs, and lack of interoperability between the different delivery operators involved in cross-border delivery. Cross-border delivery has been also identified as a main priority in the Digital Single Market communication published on 6 May 2015<sup>10</sup>.

## 2. OBJECTIVE(S) – THEME(S) – ACTIVITIES – OUTPUTS

### 2.1 Objectives of the action

The objective of this initiative is to improve the transparency of information on existing parcel delivery solutions particularly for cross-border delivery, and thus facilitate cross-border shipping through the creation of **a web information platform presenting and comparing the different**

---

<sup>6</sup> FTI (2011) Study on intra-community cross-border parcel delivery

[http://ec.europa.eu/internal\\_market/post/doc/studies/2011-parcel-delivery-study\\_en.pdf](http://ec.europa.eu/internal_market/post/doc/studies/2011-parcel-delivery-study_en.pdf)

Copenhagen Economics (2012) Study on the pricing behavior of postal operators and its effect on postal markets

[http://ec.europa.eu/internal\\_market/post/doc/studies/20130715\\_ce\\_e-commerce-and-delivery-final-report\\_en.pdf](http://ec.europa.eu/internal_market/post/doc/studies/20130715_ce_e-commerce-and-delivery-final-report_en.pdf)

<sup>7</sup> Eurobarometer (413), 2015 [http://ec.europa.eu/public\\_opinion/flash/fl\\_413\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_413_en.pdf)

<sup>8</sup> COM(2012) 298 final of 29 November 2012 "An integrated parcel delivery market for the growth of e-commerce in the EU" <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52012DC0698>

<sup>9</sup> COM(2013)883 final of 16 December 2013 "A roadmap for completing the single market for parcel delivery" <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52013DC0886>

<sup>10</sup> COM(2015) 192 final of 6 May 2015 "A Digital Single Market Strategy for Europe" [http://ec.europa.eu/priorities/digital-single-market/docs/dsm-communication\\_en.pdf](http://ec.europa.eu/priorities/digital-single-market/docs/dsm-communication_en.pdf)

**solutions available for parcel delivery. The platform would act as a one-stop information point for e-retailers wishing to fulfil shipment across European borders.**

Access to information would aim at remedying the "price barrier" to cross-border e-commerce particularly for SMEs that pay disproportionately higher prices than their bigger competitors in the market for cross border delivery services of their parcels. Lower delivery prices could have a positive impact on SMEs competitiveness and the overall growth potential of cross border e-commerce, on the existing product offer as well as on the final prices consumer have to pay. The target group would therefore primarily be SMEs e-retailers, though also citizens (final users).

No single, open access low cost capability has been found in the EU market that supports SMEs by providing information about services across the entire EU. Capabilities by intermediaries (i.e. brokers) are closed and accessible only by members, and only in Member States with significant levels of import/export e-commerce. Their business model is not about providing information but about offering a "single stop shopping" for a variety of delivery services on a contract basis to individual businesses<sup>11</sup>.

## 2.2 Description of the activities

The proposals shall aim at the creation of a web-based platform that will provide accurate, accessible and relevant information on the available service offers in European countries. The project proposals must include the following activities:

1. Defining the requirements of the platform, designing the architecture of the platform developing the IT infrastructure, testing piloting and implementation.
2. Collecting and feeding relevant content in the platform on a continuous basis at least from all EU Member States.

The applicants shall propose a business model that guarantees the sustainability of the platform while ensuring:

- a. The availability of non-discriminatory content;
- b. The accessibility of the database to SMEs [and potentially individuals];
- c. The dissemination of updated and relevant information, in particular on cross-border delivery.

Moreover, the applicants shall propose a strategy for promoting and communicating effectively about the platform to the relevant target group (SMEs e-retailers) in all countries targeted by this initiative (see point 2.2.2).

---

<sup>11</sup> [WIK\(2014\) Design and development of initiatives to support the growth of e-commerce via better functioning parcel delivery systems in Europe](http://ec.europa.eu/internal_market/post/doc/studies/20140828-wik-markt-support-e-commerce_final-report_en.pdf)

The project should be sustainable and run independently of the financing received by the COSME Programme, after completion of the activities envisaged by this call for proposals.

The project should identify and explore synergies with the work carried out in the context of the Digital Transportation and Logistics Forum<sup>12</sup>.

Finally, the project should identify and develop, within the framework of the platform, any other additional features that, after a reasoned justification, are found to contribute to the overall objectives of the project.

#### Expected results and deliverables

The project proposals shall target the following general expected results:

- Stimulating competition and creating new offerings in cross-border delivery services;
- Putting downward pressure on prices for low volume cross-border parcel delivery;
- Promoting information transparency towards e-retailers.

#### Deliverables:

- A single, open and accessible database of delivery operators in Europe;
- Dissemination of relevant content in a non-discriminatory way to e-retailers (especially SMEs) in the EU about the current range of delivery services in Europe (namely on prices, service specifications and information on the regulatory environment of each country);
- Stimulating competition and facilitating the creation of new offers and/or decreasing prices of cross border parcel delivery.

#### 2.3 Indicators for the action

A number of performance indicators that would evaluate the delivery platform will mainly focus on the availability and relevance of the content offered to the priority stakeholders.

Three performance indicators will be assessed:

- The number of delivery operators participating in the platform per targeted country;
- The number of users (e-retailers) accessing the database per targeted country;
- Evolution of prices of basic parcel products.

---

<sup>12</sup>[http://ec.europa.eu/transport/media/news/2015-04-15-setting-up-dtlf\\_en.htm](http://ec.europa.eu/transport/media/news/2015-04-15-setting-up-dtlf_en.htm)

In addition, the applicants are specifically requested to propose other suitable indicators to the ones listed above.

### 3. TIMETABLE

	Stages	Dates
a)	Publication of the call	07/7/2015
b)	Deadline for submitting applications	16/09/2015 17:00h Brussels time
c)	Evaluation period	September – October 2015*
d)	Information to applicants	October 2015 *
e)	Signature of grant agreements*	January 2016 *
f)	Starting date of the action*	January 2016 *

\* indicative

### 4. BUDGET AVAILABLE AND FUNDING OF PROJECTS

The total budget earmarked for the co-financing of projects is estimated at EUR 360.000 (three hundred sixty thousand euros).

The maximum grant will be 360.000€.

The EASME expects to fund 1 proposal.

The grant is limited to a maximum reimbursement rate of 75% of **eligible costs**.

The EASME reserves the right not to distribute all the funds available.

### 5. ADMISSIBILITY REQUIREMENTS

The following requirements must be complied with:

- Applications must be submitted no later than the deadline for submitting applications referred to in section 3;
- Applications must be submitted as explained in section 14;
- Applications must be drafted in one of the EU official languages. A summary in English must be provided in case the proposal is drafted in another language than English.

Failure to comply with those requirements will lead to the rejection of the application from the onset and without any evaluation process.

## 6. ELIGIBILITY CRITERIA

### 6.1. Eligible applicants

Applicants must be legal entities. In the event of private bodies, they must be properly constituted and registered under national law.

Legal entities having a legal or capital link with applicants, which is neither limited to the action nor established for the sole purpose of its implementation, may take part in the action as affiliated entities, and may declare eligible costs as specified in section 11.2.

For that purpose, applicants shall identify such affiliated entities in the application form.

Only applications from legal entities established in EU countries and in countries participating in the COSME programme pursuant to Article 6 of the COSME Regulation<sup>13</sup> are eligible.

### 6.2. Eligible consortia

Proposals must be submitted by a consortium of partner organisations. One of the partner organisations must act as the consortium coordinator. Several partner organisations, submitting a joint project proposal should choose within their midst a lead organisation, referred to as the coordinator.

The minimum number of independent legal entities forming the consortium is 2, from at least two COSME participating countries.

The consortium must include at least:

- a) one association, federation or organisation representing "individual consumers" or "retailers", ideally active in the field of "ecommerce";
- b) one of the following entities:
  - i. SMEs<sup>14</sup>;
  - ii. universities or educational institutions;
  - iii. research centres;

---

<sup>13</sup> The following groups of countries are eligible for participation in COSME:

- a. European Free Trade Association (EFTA) countries which are members of the European Economic Area (EEA), in accordance with the conditions laid down in the EEA Agreement, and other European countries when agreements and procedures so allow;
- b. acceding countries, candidate countries and potential candidates in accordance with the general principles and general terms and conditions for the participation of those countries in the Union's programmes established in the respective Framework Agreements and Association Council Decisions, or similar arrangements;
- c. countries falling within the scope of the European neighbourhood policies, when agreements and procedures so allow and in accordance with the general principles and general terms and conditions for the participation of those countries in the Union's programmes established in the respective Framework Agreements, Protocols to Association Agreements and Association Council Decisions.

The updated list of eligible third countries is available on the following webpage:  
[http://ec.europa.eu/growth/smes/cosme/index\\_en.htm](http://ec.europa.eu/growth/smes/cosme/index_en.htm)

<sup>14</sup> SME is defined as a company engaged in economic activities and having less than 250 employees, with a turnover of less than EUR 50 million or a balance sheet total of less than EUR 43 million ([http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm)).

- iv. international organisations;
- v. national or regional or local public governmental authority;
- vi. any other organisation active in the field.

### 6.3 Implementation period

Activities may not start before 1 January 2016.

The minimum duration of the project is 6 months and the maximum duration is 24 months.

Applications for projects scheduled to run for a shorter or longer period than that specified in this call for proposals will not be accepted.

## **7. EXCLUSION CRITERIA**

### 7.1. Exclusion from participation:

Applicants will be excluded from participating in the call for proposals procedure if they are in any of the following situations:

- (a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (b) they or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of res judicata;
- (c) they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify including by decisions of the EIB and international organisations;
- (d) they are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the Responsible Authorising Officer (RAO) or those of the country where the grant agreement is to be performed;
- (e) they or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such an illegal activity is detrimental to the Union's financial interests;
- (f) they are currently subject to an administrative penalty referred to in Article 109(1) of the Financial Regulation<sup>15</sup>.

---

<sup>15</sup> Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 (Official Journal of the European Union L 298 of 26.10.2012).

## 7.2. Exclusion from award:

Applicants will not be granted financial assistance if, in the course of the grant award procedure, they:

- (a) are subject to a conflict of interest;
- (b) are guilty of misrepresentation in supplying the information required by the Commission as a condition of participation in the grant award procedure or fail to supply this information;
- (c) find themselves in one of the situations of exclusion, referred to in section 7.1.

The same exclusion criteria apply to affiliated entities.

Administrative and financial penalties may be imposed on applicants, or affiliated entities where applicable, who are guilty of misrepresentation.

## 7.3. Supporting documents

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to in Articles 106(1) and 107 to 109 of the Financial Regulation<sup>16</sup>, filling in the relevant form.

# 8. SELECTION CRITERIA

## 8.1. Financial capacity

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out or the year for which the grant is awarded and to participate in its funding. The applicants' financial capacity will be assessed on the basis of the following supporting documents:

- a) Low value grants ( $\leq$  EUR 60 000):

- a declaration on their honour.

- b) Grants  $\geq$  EUR 60 000:

- a declaration on their honour and,

EITHER

- the profit and loss account, the balance sheet for the last financial year for which the accounts were closed;
- for newly created entities, the business plan might replace the above documents.

OR

- the table provided for in the application form, filled in with the relevant statutory accounting figures, in order to calculate the ratios as detailed in the form.

---

<sup>16</sup> Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 (Official Journal of the European Union L 298 of 26.10.2012)

The above-listed documents will have to be provided at later stage, via an online tool and only upon request of the EASME.

In the event of an application grouping several applicants (consortium), the above thresholds apply by applicants.

On the basis of the documents submitted, if the RAO considers that financial capacity is not satisfactory, he may:

- request further information;
- propose a grant agreement without pre-financing;
- propose a grant agreement with a pre-financing paid in instalments;
- propose a grant agreement with a pre-financing covered by a bank guarantee (see section 11.4 below);
- where applicable, require the joint and several financial liability of all the co-beneficiaries;
- reject the application.

## 8.2. Operational capacity

Applicants must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action.

In this respect, applicants have to submit the following supporting documents:

- curriculum vitae (CV), preferably in European CV format <http://europass.cedefop.europa.eu>) or description of the profile of the main persons primarily responsible for managing and implementing the different activities of the action.
- a list of previous projects and activities performed and connected to the policy field of the call or to the actions to be carried out.

## 9. AWARD CRITERIA

Eligible applications will be assessed on the basis of the following criteria:

<i>Criteria</i>	<i>Points</i>
<b>Relevance of the actions in view of the objectives of the call</b>	35
<i>To what extent the actions proposed by the applicant are well defined and strategically chosen to meet the objectives of this call?</i>	
<i>How relevant is the contribution of each partner to the activities described in the call?</i>	
<i>Is the proposed business model able to guarantee the successful continuation of the project?</i>	
<i>To what extent the proposal ensures the availability of impartial content and equal treatment of all the actors active in the sector?</i>	

<b>Quality of the proposed actions</b>	25
<i>How coherent and ambitious is the work plan and to what extent does it cover the activities described in the call?</i>	
<i>To what extent the work plan is clearly defined in terms of milestones and deliverables?</i>	
<b>Impact on target audience</b>	30
<i>To what extent the proposed actions help the SME retailers engage in cross border e-commerce?</i>	
<i>To what extent the proposal defines indicators that measure performance with respect to specific objectives?</i>	
<i>How effective, attractive and convincing are the promotional and communication activities? Does the proposal contain a sound communication strategy?</i>	
<i>How efficiently does the proposal cover the target countries?</i>	
<b>Cost effectiveness</b>	10
<i>To what extent is the budget clear and detailed, as well as effective, to implement the action? Does the breakdown of the budget, category by category, offer a way of ensuring that the amount of the grant awarded is reasonable in relation to the expected results?</i>	
<i>To what extent is the budget allocation justified per each member of the consortium and activities?</i>	
<b>Maximum total score</b>	<b>100</b>

In order to be considered for funding, proposals will need to have passed an overall threshold of 70% in terms of total score. In addition, thresholds of 50% will be applied to each individual award criterion described above in order to ensure a consistent minimum quality for all award criteria. Proposals will be ranked according to their total score.

## **10. LEGAL COMMITMENTS**

In the event of a grant awarded by the EASME, a grant agreement drawn up in euro and detailing the conditions and level of funding, will be sent to the beneficiary, as well as the procedures in view to formalise the obligations of the parties.

Please note that the award of a grant does not establish an entitlement for subsequent years.

## 11. FINANCIAL PROVISIONS

### 11.1 General Principles

#### a) Non-cumulative award

An action may only receive one grant from the EU budget.

In no circumstances shall the same costs be financed twice by the Union budget. To ensure this, applicants shall indicate the sources and amounts of Union funding received or applied for the same action or part of the action or for its functioning during the same financial year as well as any other funding received or applied for the same action.<sup>17</sup>

#### b) Non-retroactivity

No grant may be awarded retrospectively for actions already completed.

A grant may be awarded for an action which has already begun only where the applicant can demonstrate the need to start the action before the grant agreement is signed.

In such cases, costs eligible for financing may not have been incurred prior to the date of submission of the grant application

#### c) Co-financing

Co-financing means that the resources which are necessary to carry out the action may not be entirely provided by the EU grant. It may take the form of:

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

#### d) Balanced budget

The estimated budget of the action is to be attached to the application form. It must have revenue and expenditure in balance.

The budget must be drawn up in euros.

Applicants which foresee that costs will not be incurred in euros, are invited to use the exchange rate published on the Info-euro website available at: [http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/inforeuro/inforeuro\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm).

#### e) Implementation contracts/subcontracting

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary must award the contract to the bid offering best

---

<sup>17</sup> Directive 2004/18/EC of 31 March 2004 on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts (Official Journal of the European Union L 134/114 of 30.04.2004).

value for money or the lowest price (as appropriate), avoiding conflicts of interests and retain the documentation for the event of an audit.

Entities acting in their capacity of contracting authorities in the meaning of Directive 2004/18/EC<sup>18</sup> or contracting entities in the meaning of Directive 2004/17/EC<sup>19</sup> shall abide by the applicable national public procurement rules. The beneficiary is expected to clearly document the tendering procedure and retain the documentation for the event of an audit.

Sub-contracting, i.e. the externalisation of specific tasks or activities which form part of the action as described in the proposal must satisfy the conditions applicable to any implementation contract (as specified above) and in addition to them the following conditions:

- it may only cover the implementation of a limited part of the action;
- it must be justified having regard to the nature of the action and what is necessary for its implementation;
- it must be clearly stated in the proposal.

For more information please see Article 10 of the draft model grant agreement.

f) Financial support to third parties.

Applications may not envisage provision of financial support to third parties.

## 11.2 Funding forms

Grants are calculated on the basis of a detailed estimated budget indicating clearly the costs that are eligible for EU funding. The grant amount may neither exceed the eligible costs nor the amount requested. Amounts are indicated in euros.

### ➤ **Maximum amount requested**

The EU grant is limited to a maximum reimbursement rate of eligible costs indicated in section 4. Consequently, part of the total eligible expenses entered in the estimative budget must be financed from sources other than the EU grant (see section 11.1c).

### ➤ **Eligible costs**

Eligible costs are costs actually incurred by the beneficiary of a grant which meet all the following criteria:

- ✓ they are incurred during the duration of the action, with the exception of costs relating to final reports and audit certificates;

The period of eligibility of costs will start as specified in the grant agreement. If a beneficiary can demonstrate the need to start the action before the agreement is signed,

---

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

<sup>19</sup> Directive 2004/17/EC of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors (Official Journal of the European Union L 134/114 of 30.04.2004).

expenditure may be authorised before the grant is awarded. Under no circumstances can the eligibility period start before the date of submission of the grant application (see section 11.1b).

- ✓ they are indicated in the estimated budget of the action;
- ✓ they are necessary for the implementation of the action which is the subject of the grant;
- ✓ they are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of the country where the beneficiary is established and according to the usual cost accounting practices of the beneficiary;
- ✓ they comply with the requirements of applicable tax and social legislation;
- ✓ they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

The beneficiary's internal accounting and auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the action/project with the corresponding accounting statements and supporting documents.

The same criteria apply to the affiliated entities.

#### Eligible direct costs

The eligible direct costs for the action are those costs which, **with due regard for the conditions of eligibility set out above**, are identifiable as specific costs directly linked to the performance of the action and which can therefore be booked to it directly, such as:

- the costs of personnel working under an employment contract with the applicant or equivalent appointing act and assigned to the action, comprising actual salaries plus social security contributions and other statutory costs included in the remuneration, provided that these costs are in line with the applicant's usual policy on remuneration. Those costs may include additional remuneration, including payments on the basis of supplementary contracts regardless of their nature, provided that it is paid in a consistent manner whenever the same kind of work or expertise is required and independently from the source of funding used;
- costs of the personnel of national administrations to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the project concerned were not undertaken;
- subsistence allowances (for meetings, including kick-off meetings where applicable, conferences etc.) provided that these costs are in line with the beneficiary's usual practices;
- costs of travel (for meetings, including kick-off meetings where applicable, conferences etc.), provided that these costs are in line with the beneficiary's usual practices on travel;
- depreciation cost of equipment (new or second-hand): only the portion of the equipment's depreciation corresponding to the duration of the action/project and the rate of actual use for the purposes of the action may be taken into account by the EASME;
- costs of consumables and supplies, provided that they are identifiable and assigned to the action/project;

- costs entailed by implementation contracts awarded by the beneficiaries for the purposes of carrying out the action/project, provided that the conditions laid down in the grant agreement are met;
- costs arising directly from requirements linked to the implementation of the action/project (dissemination of information, specific evaluation of the action, translations, reproduction);
- costs relating to a pre-financing guarantee lodged by the beneficiary of the grant, where required;
- costs relating to external audits where required in support of the requests for payments;
- non-deductible value added tax ("VAT").

#### Eligible indirect costs (overheads)

A flat-rate amount of 7% of the total eligible direct costs of the action, is eligible under indirect costs, representing the beneficiary's general administrative costs which can be regarded as chargeable to the action/project.

Indirect costs may not include costs entered under another budget heading.

Applicants's attention is drawn to the fact that in the case of organisations receiving an operating grant, indirect costs are not eligible under specific actions.

#### ➤ **Ineligible costs**

- (a) costs related to return on capital;
- (b) debt and debt service charges;
- (c) provisions for future losses or debts;
- (d) interest owed;
- (e) doubtful debts;
- (f) currency exchange losses;
- (g) bank costs charged by the beneficiary's bank for transfers from the EASME;
- (h) excessive or reckless expenditure;
- (i) deductible VAT;
- (j) costs incurred during suspension of the implementation of the action;
- (k) in-kind contributions provided by third parties;
- (l) costs declared under another EU or Euratom grant (including grants awarded by a Member State and financed by the EU or Euratom budget and grants awarded by bodies other than the EASME for the purpose of implementing the EU or Euratom budget); in particular, indirect costs if the beneficiary is already receiving an operating grant financed by the EU or Euratom budget in the same period.

#### ➤ **Calculation of the final grant amount**

The final amount of the grant to be awarded to the beneficiary is established after completion of the action, upon approval of the request for payment containing the following documents:

- a final report providing details of the implementation and results of the action;
- the final financial statement of costs actually incurred;

EU grants may not have the purpose or effect of producing a profit within the framework of the action. **Profit shall be defined as a surplus of the receipts over the eligible costs incurred by the beneficiary**, when the request is made for payment of the balance. In this respect, where a profit is made, the EASME shall be entitled to recover the percentage of the profit corresponding to the Union contribution to the eligible costs actually incurred by the beneficiary to carry out the action.

### 11.3 Payment arrangements

#### Pre-financing payment

A pre-financing payment corresponding to 70% of the grant amount will be transferred to the beneficiary within 30 days of the date when the last of the two parties signs the agreement, provided all requested guarantees have been received.

#### Final payment

The EASME will establish the amount of the final payment to be made to the beneficiary on the basis of the calculation of the final grant amount (see section 11.2 above). If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the EASME through a recovery order.

### 11.4 Pre-financing guarantee

In the event that the applicant's financial capacity is not satisfactory, a pre-financing guarantee for up to the same amount as the pre-financing may be requested in order to limit the financial risks linked to the pre-financing payment.

The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the Member State of the European Union. When the beneficiary is established in a third country, the RAO may agree that a bank or financial institution established in that third country may provide the guarantee if he considers that the bank or financial institution offers equivalent security and characteristics as those offered by a bank or financial institution established in a Member State. Amounts blocked in bank accounts shall not be accepted as financial guarantees.

The guarantee may be replaced by a joint and several guarantee by a third party or by a joint guarantee of the beneficiaries of an action who are parties to the same grant agreement

The guarantee shall be released as the pre-financing is gradually cleared against interim payments or payments of balances to the beneficiary, in accordance with the conditions laid down in the grant agreement.

## **12. PUBLICITY**

### 12.1 By the beneficiaries

Beneficiaries must clearly acknowledge the European Union's contribution in all publications or in conjunction with activities for which the grant is used.

In this respect, beneficiaries are required to give prominence to the name and emblem of the European Commission on all their publications, posters, programmes and other products realised under the co-financed project.

To do this they must use the text, the emblem and the disclaimer in accordance with the details provided in the grant agreement.

If this requirement is not fully complied with, the beneficiary's grant may be reduced in accordance with the provisions of the grant agreement.

## 12.2 By EASME

With the exception of scholarships paid to natural persons and other direct support paid to natural persons in most need, all information relating to grants awarded in the course of a financial year shall be published on an internet site of the European Union institutions no later than the 30 June of the year following the financial year in which the grants were awarded.

The EASME will publish the following information:

- name of the beneficiary
- address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level<sup>20</sup> if he/she is domiciled within EU or equivalent if domiciled outside EU,
- subject of the grant,
- amount awarded.

Upon a reasoned and duly substantiated request by the beneficiary, the publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the beneficiaries.

## **13. DATA PROTECTION**

The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 45/2001<sup>21</sup> on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, the questions and any personal data requested are required to evaluate the application in accordance with the specifications of the call for proposal will be processed solely for that purpose by the Head of Unit A.1 of the EASME. Details concerning the processing of personal data are available on the privacy statement at: [http://ec.europa.eu/research/participants/data/support/legal\\_notice/h2020-ssps-grants\\_en.pdf](http://ec.europa.eu/research/participants/data/support/legal_notice/h2020-ssps-grants_en.pdf)

---

<sup>20</sup> Commission Regulation (EC) No 105/2007 of 1 February 2007 amending the annexes to Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS) (Official Journal of the European Union L 39 of 10.02.2007).

<sup>21</sup> Official Journal of the European Union L 8/1 of 12.01.2001.

Personal data may be registered in the Early Warning System (EWS) only or both in the EWS and Central Exclusion Database (CED) by the Accounting Officer of the Commission, should the beneficiary be in one of the situations mentioned in:

- the Commission Decision 2008/969 of 16.12.2008 on the Early Warning System (for more information see the Privacy Statement on:

[http://ec.europa.eu/budget/contracts\\_grants/info\\_contracts/legal\\_entities/legal\\_entities\\_en.cfm](http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm) ),

or

- the Commission Regulation 2008/1302 of 17.12.2008 on the Central Exclusion Database (for more information see the Privacy Statement on

[http://ec.europa.eu/budget/explained/management/protecting/protect\\_en.cfm](http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm)).

## **14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS**

Proposals must be submitted in accordance with the formal requirements and by the deadline set out under section 3.

No modification to the application is allowed once the deadline for submission has expired. However, if there is a need to clarify certain aspects or for the correction of clerical mistakes, the EASME may contact the applicant for this purpose during the evaluation process.

Applicants will be informed in writing about the results of the selection process.

### **➤ Electronic submission**

Applicants are requested to go to <http://ec.europa.eu/easme/en/cosme> and follow the procedure for submitting an application.

### **➤ Contacts**

The EASME is available to answer questions relating to the content of the present call for proposals. All questions must be sent by e-mail to EASME-COSME-PLATFORM-DELIVERY-CALL-2015@ec.europa.eu.

Answers will be published at <http://ec.europa.eu/easme/en/cosme>.