



European Social Fund+ (ESF) Employment and Social Innovation (EaSI) strand

Call for proposals

Actions to boost the development of finance markets for social enterprises
(ESF-2023-SUPPLY-DEMAND)

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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 social enterprise finance under the **European Social Fund Plus (ESF+)**.

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

- Regulation 2018/1046 ([EU Financial Regulation](#))
- the basic act (ESF+ Regulation [2021/1057](#)¹).

The call is launched in accordance with the 2023 Work Programme² and will be managed by the **European Commission, Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL)**.

The call covers the following **topic**:

- **ESF-2023-SUPPLY-DEMAND – Actions to boost the development of finance markets for social enterprises**

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

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

- the [Call Document](#) outlines the:
 - background, objectives, scope, activities that can be funded and the expected results (sections 1 and 2)
 - timetable and available budget (sections 3 and 4)
 - admissibility and eligibility conditions (including mandatory documents; sections 5 and 6)
 - criteria for financial and operational capacity and exclusion (section 7)
 - evaluation and award procedure (section 8)
 - award criteria (section 9)
 - legal and financial set-up of the Grant Agreements (section 10)

¹ Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) (OJ L 231, 30.6.2021, p. 21).

² [COMMISSION DECISION C\(2023\) 6083](#) final of 13.9.2023 second amending decision C(2022)9194 concerning the adoption of the work programme for 2023 and the financing decision for the implementation of the Employment and Social Innovation (EaSI) strand of the ESF+.

- 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*).

1. Background

This call for proposals is financed under the **Employment and Social Innovation ("EaSI") strand of the ESF+** which is a European-level financing instrument managed directly by the European Commission. It provides financial support to achieve high employment levels, fair social protection, a skilled and resilient workforce ready for the future world of work, as well as inclusive and cohesive societies aiming to eradicate poverty. Article 25 (g) of the ESF+ regulation on the EaSI operational objectives provides for support to develop social enterprises and the emergence of a social investment market, facilitating public and private interactions and the participation of foundations and philanthropic actors in that market. Moreover, in the [2021 Communication from the Commission 'Building an economy that works for people: an action plan for the social economy'](#), the Commission announced its intention to complement financial instruments with grant support for building social enterprise finance markets in Europe by supporting the setting up of new financial instruments and investment readiness programmes.

This action plan seeks to enhance social innovation, support the development of the social economy, and boost its social and economic transformative power. Enhanced support to the social economy not only creates jobs, but also allows organisations to increase their social impact across the EU and social enterprises.

According to the 2023 Work Programme, this call is expected to contribute to the development of feasible, suitable, and reliable schemes or funds providing finance to social enterprises as well as support structures providing business development services and networking facilities to improve social enterprises' investment readiness.

EU support for social enterprise finance

The **InvestEU programme** brings together under one roof several EU financial instruments to promote sustainable investment, innovation, social inclusion and job creation in Europe. One of its objectives is to improve the access to finance for social enterprises, to help them start up and scale up their businesses.

The Social Investment and Skills' policy window of the InvestEU Fund provides funding opportunities and advisory support also for social enterprises. There are several financial products that are available via different Implementing Partners³. In particular:

- The InvestEU guarantee product for social enterprises was launched in April 2022 with the European Investment Fund (EIF) as implementing partner⁴. It aims at covering loans to social enterprises. This risk-sharing mechanism gives incentives to social enterprise financial intermediaries to reach out to entrepreneurs they would not have been able to finance otherwise.

³ The guarantee available under the InvestEU Fund is implemented via selected financial partners or implementing partners.

⁴ [EIF guarantee products'](#) overview

- The InvestEU Capacity-Building Investments product was launched in April 2022 with the EIF as implementing partner⁵. It aims at enhancing the institutional capacity of selected social enterprise finance providers in Europe primarily through quasi-equity investments.
- The InvestEU social impact equity product was launched in April 2022 with the EIF as implementing partner⁶ to guarantee investments into social enterprises.
- The Council of Europe development bank⁷ (CEB) provides a debt product to financial intermediaries, which provide support to social enterprises⁸ and social economy organisations⁹.

Moreover, technical assistance is available to financial providers under the InvestEU Advisory Hub. In this framework, the Social Inclusive Finance Technical Assistance (SIFTA), managed by the European Investment Bank, provides targeted capacity building services for microfinance and social enterprise finance providers in the form of tailored training, workshops, peer-to-peer exchanges and study visits on a wide range of topics related to financing micro and social enterprises. It also provides rating, assessment and evaluation services to such providers¹⁰.

This call for proposals aims at developing the social enterprise finance market by setting up financial instruments accompanied by non-financial support that would increase the availability of funding for social enterprises. In some cases, financial instruments could also feed the pipeline for the InvestEU financial products described above, following a successful application for support from the respective financial intermediaries to the aforementioned InvestEU Implementing partners.

Barriers in the social finance market

Following targeted support provided in the last decade at EU and national level, including grant funding provided through previous similar calls for proposal, more financial intermediaries and investors are aware of social enterprises and are providing repayable finance and business development support to address their needs. Despite positive developments, an analysis of social enterprise finance markets revealed a persisting mismatch between the demand and supply of repayable finance for social enterprises in Europe, both in terms of access to debt and equity. The funding gap in the field of social enterprise finance was estimated at almost EUR 1 billion per year across Europe¹¹ at the start of this Multi-annual Financial Framework.

There are considerable differences among and within countries. The availability and use of repayable financial resources for social enterprises is heterogeneous both on the demand and supply sides. In countries where the social enterprise phenomenon is in its early stages of development, such as in Central and Eastern Europe, both demand for and supply of repayable resources are only beginning to emerge. Conversely, in countries with a more consolidated social enterprise ecosystem there is a growing demand for repayable financial resources that seems to be adequately met by public and private suppliers, including

⁵ [EIF capacity building investment product](#)

⁶ [EIF equity products' overview](#)

⁷ <https://coebank.org/en/project-financing/ceb-and-investeu/>

⁸ As defined in Article 2 of the Regulation (EU) 2021/1057 of the European Parliament and of the Council of 24 June 2021 establishing the European Social Fund Plus (ESF+) and repealing Regulation (EU) No 1296/2013 (OJ L 231, 30.6.2021, p. 21).

⁹ Social economy organisations are defined as entities that share the following principles and features: (i) the primacy of people as well as social and/or environmental purpose over profit, (ii) the reinvestment of most of the profits and surpluses to carry out activities in the interest of members/users or society at large and (iii) democratic and/or participatory governance.

¹⁰ <https://advisory.eib.org/about/service/social-inclusive-finance-technical-assistance.htm>

¹¹ European Commission, Social enterprise finance market: analysis and recommendations for delivery options, by Spiess-Knafl W. and Scheck B, Luxembourg, 2019.

specialised financial institutions and traditional financial intermediaries. Nevertheless, even in these cases there may still be a need for innovative and diversified products or instruments addressing specific needs in the markets. Besides, cross-border activities could constitute a significant potential for the social finance sector however, presently cross-border activities in the form of investments or co-investments are still rare. Cooperation in the form of peer learning and coaching between actors from countries with eco-systems at different stages of development provides a unique opportunity for the sharing of first-hand experience of tried and tested approaches.

Barriers to developing and strengthening the market for social finance have a different weight and rate of prevalence across Europe, the most relevant being:

- On the supply side: lack of suitable financial instruments in place; a shortage of investors prepared to invest; scarcity of significant public sector initiatives; little experience in specifying a sustainable investment strategy and risk/return profile of a social finance fund; lack of capacities and tools to assess the viability of business plans and social impact; absence of market facilitators (such as qualified intermediaries and marketplaces) or business angels etc.
- On the demand side: underdeveloped business models; excessive dependence on grants and insufficient orientation towards capital markets; legal structures which discourage the attraction of (quasi-) equity; lack of transparency of the market for social finance; insufficient financial literacy and lack of experience in making proposals for external financing or for combining different sources and types of finance (e.g. grants/loans); insufficient infrastructures /business development services/ incubators; lack of management and business development skills, lack of skills to operationally scale-up or replicate activities etc.

Lessons from previous EU support actions

Three calls for proposals were launched in the past with the aim of supporting the development of the demand and supply for social enterprise finance, in 2013, 2016 and 2020. These initiatives enabled the development and establishment of feasible, suitable and reliable models that facilitate the access of social enterprises to funding.

As a result, various forms of support and tools have been tested and established in some countries. Social finance markets have emerged in countries where social finance was at an early stage of development and innovative solutions were tested in countries where the market was more advanced.

The lessons learnt indicate that the demand and supply sides of the market need to develop hand-in-hand: for investment readiness programmes to be successful, there need to be investments in sight, while financial instruments - once designed and established - need to be able to find corresponding investees. In addition, the European Commission grant proved to be useful to develop and test these instruments into the market. Previous beneficiaries reported that, without the EU support, the financial intermediaries would have not had the available resources to form a consortium or launch and test these costly initiatives. Moreover, transnational mutual learning and exchanges between projects at different levels of development enabled collaborations and replication of tested solutions.

Existing resources

Along with the development of social enterprise finance, the knowledge base and available tools have also multiplied. While further research is still needed to capture the development of this fast-growing phenomenon, the following material and tools are already in place and can be useful for the preparation of the proposals:

- the Commission's Study "A map of social enterprises and their eco-systems in Europe" and its country reports¹² can inform a baseline assessment of the social enterprise finance market.
- the Better Entrepreneurship online tool.¹³ This tool can be used to carry out an in-depth assessment of the market gap, including needs in terms of types and size of investments and potential demand.
- the publication "A recipe book for social finance. A practical guide on designing and implementing initiatives to develop social finance instruments and markets"¹⁴ makes use of the experience of pilot projects funded during the first rounds of this call for proposals. New applicants can use this practical guide or other similar guides as a source of inspiration and guidance, to ensure that each step in decision making addresses the relevant issues and options.¹⁵
- The summary of projects financed under the 2016¹⁶ and 2019¹⁷ calls for proposals can provide inspiration. All projects have carried out assessments of the social enterprise finance market. Many of these assessments are published online on the organisations' websites and could inform the assessment to be carried out by future projects that plan to operate in the same territory.
- The European Social Enterprise Monitor 2021-2022 report produced by Euclid Network provides the results of a survey of 2000 social entrepreneurs across 21 countries on the barriers, challenges, and opportunities they face¹⁸. A new edition is expected in November 2023.

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

Objectives

The objective of the call is to develop social enterprise finance markets by bringing together the supply and demand side actors to facilitate the creation of financial instruments and to prepare social enterprises for investments.

This call is aimed at mobilising key partners (potential investors, financial intermediaries, support organisations and stakeholders) to cooperate with a view to setting up a concrete financial instrument and investment readiness programme targeting social enterprises that need investments below EUR 500 000. The grant is meant to enable the replication of tested solutions in a new territory or the establishment of innovative instruments and approaches. It supports the first steps towards a social finance instrument by facilitating the development of a consortium and commitment to act in view of laying the groundwork for, and developing, a future financial instrument. The call also aims to encourage learning from good practice examples and expertise that can guide the formation of this partnership.

The call is particularly relevant for actions in countries/territories with young social finance markets. It addresses situations in which:

¹² [A map of social enterprises and their eco-systems in Europe - Publications Office of the EU \(europa.eu\)](https://european-council.europa.eu/media/en/press-communications/infographic/Pages/infographic-social-enterprises-in-europe.aspx)

¹³ <https://www.betterentrepreneurship.eu/>

¹⁴ <https://op.europa.eu/en/publication-detail/-/publication/832dc14f-3bfd-11ea-ba6e-01aa75ed71a1/language-en>

¹⁵ The Guide is providing general orientation and guidance along a broad range of options. However, not all options are covered by this call for proposals.

¹⁶ A summary of the projects financed under the 2016 call for proposals is available at: <https://ec.europa.eu/social/BlobServlet?docId=16864&langId=en>

¹⁷ A summary of the projects financed under the 2019 call for proposals is available on this webpage: <https://ec.europa.eu/social/main.jsp?catId=1561&langId=en>

¹⁸ <https://euclidnetwork.eu/2022/11/european-social-enterprise-monitor-2022-report-launched/>

- No suitable financial instrument for social enterprises is in place or existing instruments do not adequately cover the needs of social enterprises.
- While there is already a basic understanding of market needs, funding gaps and potential investors, different actors operate in isolation and are not yet prepared to participate in a financial instrument for social enterprises.
- Potential investors, intermediaries and banks lack the expertise that can guide the drafting of contractual agreements needed for setting up a financial instrument. There might also be a lack of capacities and tools to assess the viability of business plans, design investment strategies and evaluate social impact.
- Even if business development and investment readiness support structures/ programmes that cater to the needs of social enterprises are in place, there is either an unmatched pipeline of investees or potential investees lack business development and investment readiness/follow-up support. Although there is little experience in specifying a sustainable investment strategy and risk/return profile of a social finance instrument, there is openness amongst potential investors, intermediaries and/or public bodies to contribute to establishing a suitable financial instrument and related business support services.

The call also has the objective to identify, develop, promote and disseminate good practices in supporting social enterprise finance. To achieve this, the European Commission will facilitate **transnational mutual learning** through five workshops. The workshops will enable the sharing of practices, experience and lessons learnt in implementing the actions. They will bring together organisations supported under this call and other competent organisations and experts. In addition, transnational mutual learning is encouraged among consortium members in order to transfer know-how among peers, support the replication and adaptation of tested solutions, and disseminate knowledge.

Themes and priorities (scope)

The grant is aimed at the actors entering into the early stages of collaboration towards the creation of a financial instrument to support social enterprises.

Actions must be fully carried out in ESF+ eligible countries and must focus on supporting social enterprises that are in need of smaller investments (< EUR 500 000).

In line with the ESF+ Regulation, a social enterprise is an undertaking, regardless of its legal form, including social economy enterprises, or a natural person which:

- (a) in accordance with its articles of association, statutes or with any other legal document that may result in liability under the rules of the Member State where a social enterprise is located, has the achievement of measurable, positive social impacts, which may include environmental impacts, as its primary social objective rather than the generation of profit for other purposes, and which provides services or goods that generate a social return or employs methods of production of goods or services that embody social objectives;
- (b) uses its profits first and foremost to achieve its primary social objective, and has predefined procedures and rules that ensure that the distribution of profits does not undermine the primary social objective;
- (c) is managed in an entrepreneurial, participatory, accountable and transparent manner, in particular by involving workers, customers and stakeholders on whom its business activities have an impact.

The social enterprises must be established / in the process of being established in one or more of the ESF+ eligible countries.

Activities that can be funded (scope)

The activities to be funded will consist of developing social finance partnerships and feasible, suitable and reliable financial instruments or schemes providing finance to social enterprises, as well as non-financial support aimed at improving the social enterprises' investment readiness (such as business development and networking). The following activities can be carried out under this call for proposals:

- analytical activities such as in-depth market assessments, mapping projects, assessment of feasibility and suitability of setting up social finance mechanisms/instruments, design of methodologies, tools, processes where such information is missing or required in the context of the target market and envisioned financial instrument;
- communications/networking actions aimed at bringing in additional investors (e.g. organisation of meetings or participation in relevant conferences/ fora that gather potential investors);
- training activities and capacity building actions (e.g. aimed at developing capacities for managing investments and investment readiness for social enterprises);
- knowledge dissemination and know-how transfer from and to peers in other ESF+ eligible countries (e.g. study visit, expert workshop, training session, adaption of tools, procedures/contracts);
- the replication or adaptation of proven financing or support models, to be implemented in other countries. This may also include translations;
- work of financial experts and lawyers to draft the legal documents for setting up the social finance instrument or mechanism required by EU or national legislation;
- IT services in case the financial instrument uses web-tools or is based on a web platform (e.g. crowdfunding platforms).

Applicants are expected to provide a detailed description of their target market in their Application Form – Part B, under 1.2 Needs analysis and specific objectives. This should include an outline of the current situation in the target market and the research already available and areas which require further development.

The concrete **deliverables** should include as a first step:

- a detailed assessment of the social finance market and a vision for closing gaps and overcoming deficiencies in the supply of social finance, including needs in terms of types and size of investments and assessment of the investment readiness of potential investees. Applicants are invited to avoid replication by drawing on existing available assessments (see Existing Resources under section 1);
- assessment of the suitability and feasibility of setting up a sustainable social finance mechanism;
- identification of suitable managers for the financial product envisaged;
- the commitment of the partners (including their roles and contributions) to contribute to, and to collaborate in, establishing a financial product that provides finance for social enterprises and that works in synergy with start-up and business development services for social enterprises;
- the outline of an investment strategy for this financial product, in particular, the key areas of vision, investment focus (geographical and sector focus), models of intervention, risks and returns, types of investee organisations, form and size of investment, co-investment, non-financial support;

- an outline of the investment readiness plan including an indication of the methodologies, tools and activities envisioned for enabling social enterprises to become investment ready.

These should contribute to prepare a **Memorandum of Understandings (MoU)** between partners. The MoU is expected to be a key milestone to be reached in the middle of the project.

In a second step, the project partners and signatories of the MoU should work on the second milestone. The second milestone is the establishment and delivery of the **financial instrument** or if this is not possible a detailed description of the strategy and step-by-step of actions planned for launching the financial product and non-financial support after the end of the project.

Deliverables will include:

- the detailed investment strategy agreed encompassing, in particular, the key areas of vision, investment focus - geographical and sector focus, models of intervention, risks and returns, types of investee organisations, form and size of investment, co-investment, non-financial support, governance structures, obligations and benefits of investors, management rules and procedures as well as monitoring and evaluation arrangements;
- the investment readiness strategy including methodologies (e.g. training, coaching, mentoring, capacity building), tools and actions planned to ensure a steady and balanced deal flow and sustainability for the financial instrument;
- the methodologies, procedures or resources (e.g. for due diligence, impact measurement and reporting) jointly applied by the partners to reduce transaction costs and build mutual trust and confidence.

A key deliverable at the end of the project is a communications material of approximately 2 pages which presents the project and highlights its achievements. A template will be provided.

Further deliverables may also include:

- the legal agreement of the partners (specifying their roles and contributions) to finance, set up and manage a financial instrument providing finance as well as investment readiness / follow-up support to social enterprises;
- contractual arrangements needed for the registration of the financial instrument, for fundraising, for investments, lending or underwriting and for the conduct of management;

Expected impact

The expected result of the call is the improved cooperation between public and / or private entities of any type with the aim of setting up financial instruments that respond to the needs of social enterprises. Ultimately this should enable more social enterprises to get access to repayable finance for developing and scaling their business model, and to reduce their dependence on grants. Moreover, investors and business development organisations are expected to increase their awareness of the needs of social enterprises and improve their capacity to design and manage financial products that respond to these needs. Market facilitators such as qualified intermediaries are expected to be put in place where they do not exist.

3. Available budget

The available call budget is **EUR 3 400 000**.

We expect to fund between 8 to 10 projects.

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

4. Timetable and deadlines

Timetable and deadlines (indicative)	
Call opening:	05 December 2023
Deadline for submission:	<u>14 March 2024 – 17:00:00 CET</u> (Brussels)
Evaluation:	April -August 2024
Information on evaluation results:	September 2024
GA signature:	November 2024

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 and supporting documents** (*to be uploaded*):
 - detailed budget table/calculator: not applicable
 - CVs (standard) of core project team
 - activity reports of last year
 - list of previous projects (key projects relating to the subject of the call in the last 3 years) (template available in Part B).
 - **Additional Special annexes** (*assembled with the Application Form Part B*):
 - A. A signed letter of commitment to invest/co-invest in the financial instrument to be established from the potential investor.
 - B. A signed letter of commitment to provide business development/investment readiness services to (potential) investees from the support organisations.

- C. At least one applicant or co-applicant needs to provide a list of the projects reflecting work undertaken over the past three years in the design or implementation of finance mechanisms for social enterprises. Identify for each action the objectives, location, results, organisation's role and degree of involvement, cost etc.
- D. At least one applicant or co-applicant needs to provide a list of the projects reflecting work undertaken over the past three years in the design/provision of business development and/or investment readiness services to social enterprises. Identify for each action the objectives, location, type of services provided, number of organisations, results, organisation's role and degree of involvement, cost etc.

Please note that all the above special annexes A, B, C and D must be provided. In the case of signed letters these must be signed by the legal representative of the consortium.

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 **70 pages** (Part B, including the special annexes). 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

Applications will only be considered eligible if their content corresponds wholly (or at least in part) to the topic description for which it is submitted.

Eligible participants (eligible countries)

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

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

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

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


Specific cases

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

International organisations — International organisations are NOT eligible. 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 persons¹⁹.

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'²⁰.  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).

Social partner organisations — These include notably the European social partner organisations that are consulted in accordance with Article 154 TFEU (for the list, see [List of consulted organisations](#)) as well as other European-level social partner organisations that are not included in this list, but who are for example involved in the preparation and launch of European social dialogue at sector level. Social partner organisations without legal personality are eligible provided that the conditions for entities without legal personality (see *above*) are met.

Countries currently negotiating association agreements — Beneficiaries from countries with ongoing negotiations (see *list 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)²¹ and entities covered by Commission Guidelines No [2013/C 205/05](#)²²). 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 consortium of at least **three** applicants (beneficiaries; not affiliated entities), which complies with the following conditions:

¹⁹ See Article 197(2)(c) EU Financial Regulation [2018/1046](#).

²⁰ For the definitions, see Articles 187(2) and 197(2)(c) EU Financial Regulation [2018/1046](#).

²¹ 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](#).

²² 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).

- At least one applicant should be a potential investor that has signed a letter of intention to invest/co-invest in the envisaged financial product;
- At least one applicant should be a support organisation²³ that has signed a letter of intention to provide business development /investment readiness services to (potential) investees;
- The consortium must be made up of applicants based in at least two different eligible countries in order to promote mutual learning and facilitate a transnational dimension.
- For example, to promote mutual learning and share experiences applicants can choose to include an additional partner from a different eligible country than that of potential investor and support organisation. Investors and support organisations can also be from different countries if this makes sense in the context of the project (e.g. if a cross-border financial product is envisaged).

All members of the consortium shall comply with the eligibility criteria spelled out in Section 6.

Eligible activities

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

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

Financial support to third parties is not allowed.

Geographic location (target countries)

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

Duration

Projects should normally range between 24 and 36 months.

Extensions are possible, if duly justified and through an amendment.

Project budget

Project budgets (maximum grant amount) are expected to range between EUR 300 000 and EUR 400 000 per project.

This does not however preclude the submission/selection of proposals requesting other amounts. The grant awarded may be lower than the amount requested.

²³ Support organisation: An organisation that provides mostly non-financial support to social enterprises, in particular business development and investment readiness support. Support organisations include incubators (focussing on new and start-up businesses), accelerators (focussing on existing social enterprises) and campuses (providing co-working spaces). In addition, non-financial support is sometimes offered directly by intermediaries.

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 one or more participants' financial capacity is not satisfactory, we may require:

- further information
 - an enhanced financial responsibility regime, i.e. joint and several responsibility for all beneficiaries or joint and several liability of affiliated entities (see below, section 10)
 - prefinancing paid in instalments
 - (one or more) prefinancing guarantees (see below, section 10)
- or
- propose no prefinancing
 - request that the participants 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, 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.

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

- general profiles (qualifications and experiences) of the staff responsible for managing and implementing the project (CVs of the proposed persons who will perform the main tasks, notably project manager and key personnel);

The minimum professional experience requirements are the following:

- The project manager must have 3 years of proven team management activities;

- The project manager must have at least a C1 language level according to the Common European Framework of Reference for Languages (CEFR) in English;
 - At least one key member of the team must have relevant experience in social enterprise finance or social impact finance of at least one year;
 - At least one key member of the team must have relevant experience in designing/delivering business development / investment readiness services to social enterprises of at least one year.
- description of the consortium participants
 - applicants' activity reports of last year
 - At least one applicant or co-applicant needs to provide:
 - A) A list of the projects reflecting work undertaken over the past three years in the design or implementation of finance mechanisms for social enterprises. Identify for each action the objectives, location, results, organisation's role and degree of involvement, cost etc.
 - B) A list of the projects reflecting work undertaken over the past three years in the design/provision of business development and/or investment readiness services to social enterprises. Identify for each action the objectives, location, type of services provided, number of organisations, results, organisation's role and degree of involvement, cost etc.

Please note that **both lists A and B** need to be provided.

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

Exclusion

Applicants which are subject to an **EU exclusion decision** or in one of the following **exclusion situations** that bar them from receiving EU funding can NOT participate²⁴:

- 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 misconduct²⁵ (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,

²⁴ See Articles 136 and 141 of EU Financial Regulation [2018/1046](#).

²⁵ 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.

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 that²⁶:


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

8. Evaluation and award procedure

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

An **evaluation committee** 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.

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 objectives, themes and priorities of the call; potential to develop cross-border cooperation; the extent to which the project identifies and actively plans to address needs within the early stage social finance market; contribution to

²⁶ See Article 141 EU Financial Regulation [2018/1046](#).

transnational mutual learning; the extent to which the proposal is planning to use in new context existing knowledge and experience at EU/national level or to propose innovative approaches (Min. 21 points Max. 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, strategy for mobilising potential investors, 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) (Min. 21 points Max. 30 points)
- **Project team and cooperation arrangements:** quality of the consortium and project teams; appropriate procedures and problem-solving mechanisms for cooperating within the project teams and consortium (Min. 14 points Max. 20 points)
- **Impact:** ambition and expected long-term impact of results on the development of social enterprise finance markets; appropriate dissemination strategy for ensuring sustainability and long-term impact; sustainability of results after EU funding ends; the added value that the grant support will provide in developing the social enterprise finance market, going beyond the applicant's current activities. (Min. 14 points Max. 20 points)

Award criteria	Minimum pass score	Maximum score
Relevance	21	30
Quality — Project design and implementation	21	30
Quality — Project team and cooperation arrangements	14	20
Impact	14	20
Overall (pass) scores	70	100

Maximum points: 100 points.

Individual thresholds per criterion: 21/30, 21/30, 14/20 and 14/20 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 (i.e up to the budget ceiling). 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](#).

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.

Beneficiaries in ESF EaSI projects will have to ask attendees in activities/events to participate in an EU survey to provide policy feedback. This survey allows the granting authority to closely monitor training, mutual learning and awareness-raising events. The beneficiaries will receive a weblink to the survey, to be forwarded to the attendees.

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. A retroactive starting date can be granted exceptionally for duly justified reasons — but never earlier than the proposal submission date.

Project duration: see section 6 above.

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 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 rate fixed in the Grant Agreement (**85%**).

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
- B. Subcontracting costs
- C. Purchase costs
 - C.1 Travel and subsistence
 - C.2 Equipment
 - C.3 Other goods, works and services

– E. Indirect costs

Specific cost eligibility conditions for this call:

- personnel costs:
 - SME owner/natural person unit cost²⁷ : No
 - volunteers unit cost²⁸: No
- travel and subsistence unit cost²⁹: Yes
- equipment costs: depreciation
- other cost categories:
 - costs for financial support to third parties: not allowed
- indirect cost flat-rate: 7% of the eligible direct costs (categories A-D, except volunteers costs and 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
 - 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
 - Staff costs related to participation of 1-2 project representatives in five transnational mutual learning workshops (see details in section 2) must be included in the proposed budget of the action
 - The workshops will have an indicative duration of two half days. For in-person workshops, the European Commission will arrange and cover travel and accommodation for maximum 2 project representatives
 - EU Synergies call: No
 - 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*).

Payment of the grant is generally made in **prefinancing** instalments and a final payment (the balance). The aim of the prefinancing is to provide the beneficiaries with a float. The prefinancing remains the property of the EU until the payment of the balance. The frequency and size of prefinancing will depend upon the project duration but may be adjusted in case of risk:

²⁷ 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).

²⁸ Commission [Decision](#) of 10 April 2019 authorising the use of unit costs for declaring personnel costs for the work carried out by volunteers under an action or a work programme (C(2019)2646).

²⁹ 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).

- **actions of 12 months:** one prefinancing payment of 70% paid within 30 days from the entry into force of the grant agreement or after receiving the financial guarantee (if required), whichever is the latest
- **actions between 12 and 24 months:** prefinancing payments linked to annual reporting periods will be made as follows:
 - 40% from the entry into force of the grant agreement or after receiving the financial guarantee (if required), whichever is the latest
 - 40% after receiving a additional prefinancing report. Where the consumption of the previous prefinancing is less than 70%, the amount of the new prefinancing payment will be reduced by the difference between the 70% ceiling and the amount used
- **actions between 24 and 36 months:** prefinancing payments linked to annual reporting periods will be made as follows:
 - 30% from the entry into force of the grant agreement or after receiving the financial guarantee (if required), whichever is the latest
 - a second and third prefinancing of 40% and 20% after receiving additional prefinancing reports. Where the consumption of the previous prefinancing is less than 70%, the amount of the new prefinancing payment will be reduced by the difference between the 70% ceiling and the amount used.

There will be no **interim payments**.

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

All payments will be made to the coordinator.



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

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

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)*:

- rights of use on results: Yes

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

- additional communication and dissemination activities: Yes

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

- specific rules for ESF+ actions: Yes
- specific rules for financial support to third parties: No

Other specificities

n/a

Non-compliance and breach of contract

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



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

11. How to submit an application

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

Submission is a **2-step process**:

a) create a user account and register your organisation

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

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

b) **submit the proposal**

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

Submit your proposal in 3 parts, as follows:

- Part A includes administrative information about the applicant organisations (future coordinator, beneficiaries, affiliated entities and associated partners) and the summarised budget for the proposal. Fill it in directly online
- Part B (description of the action) covers the technical content of the proposal. Download the mandatory word template from the Submission System, fill it in and upload it as a PDF file, including the additional special annexes (*see section 5*)

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 to the following email address:

- general questions on ESF+: EMPL-EaSI@ec.europa.eu
- call-specific questions: EMPL-SOCIAL-ENTERPRISE@ec.europa.eu



Please:

- send your questions at the latest 7 days before the submission deadline (*see section 4*)

- 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 may submit more than one proposal for *different* projects under the same call (and be awarded a funding for them).

Organisations may participate in several proposals.

BUT: if there are several proposals for *very similar* projects, only one application will be accepted and evaluated; the applicants will be asked to withdraw one of them (or it will be rejected).

- **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](#).