



EUROPEAN COMMISSION
Internal Market, Industry, Entrepreneurship and SMEs

CALL FOR PROPOSALS

**Erasmus for Young Entrepreneurs Global – Pilot project
263/G/GRO/PPA/17/9860**

GRANT PROGRAMME 2017

The present call for proposals consists of a set of Grant Submission Documents, which form an integral part of this call:

- The call for proposals,
- The Guide for Applicants
- The Submission Set

The terms set out in the call for proposals document shall take precedence over those in the other parts of the Grant Submission Documents.

1.	CONTEXT	3
2.	OBJECTIVE OF THE CALL	4
3.	TIMETABLE	8
4.	EU FINANCING	8
	4.1. GENERAL PRINCIPLES OF EU FUNDING	9
	4.2. ELIGIBLE COSTS	10
	4.2.1. Eligible direct costs	10
	4.2.2. Eligible indirect costs	11
	4.2.3. Non-eligible costs	11
	4.3. CO-FINANCING AND JOINT AND SEVERAL RESPONSIBILITY	12
	4.4. IMPLEMENTATION CONTRACTS/SUBCONTRACTING	12
	4.5. FINANCIAL SUPPORT TO THIRD PARTIES	13
	4.6. FINAL GRANT AND PAYMENT ARRANGEMENTS	13
5.	ELIGIBILITY	14
	5.1. ELIGIBLE APPLICANTS	14
	5.2. ADMISSIBLE AND ELIGIBLE PROPOSALS	15
6.	EXCLUSION CRITERIA	15
	6.1. EXCLUSION FROM PARTICIPATION	15
	6.2. EXCLUSION FROM AWARD	17
	6.3. SUPPORTING DOCUMENTS	17
7.	SELECTION	18
	7.1. FINANCIAL CAPACITY	18
	7.2. OPERATIONAL CAPACITY	18
8.	AWARD	19
9.	SUBMISSION OF PROPOSALS	19
10.	CONTACTS	19
11.	DATA PROTECTION	20
12.	PUBLICITY	20
13.	ANNEX 1 SUBMISSION SET	22
14.	ANNEX 2 GUIDE FOR APPLICANTS	23
15.	ANNEX 3 EVALUATION CRITERIA	24
16.	ANNEX 4 - AGREEMENT	25

INTERESTED PARTIES ARE INVITED TO READ CAREFULLY THE INSTRUCTIONS GIVEN BELOW, AND TO USE THE QUESTIONNAIRE PROVIDED IN CHAPTER II OF THE GUIDE FOR APPLICANTS, IN ORDER TO ENSURE THAT APPLICATIONS ARE COMPLETE WHEN SUBMITTED.

1. CONTEXT

Small and medium-sized enterprises (SME) play a crucial role for reaching the objectives of the Europe 2020 Strategy. 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 June 2008, the European Commission adopted the 'Small Business Act' for Europe (SBA¹), recognising the central importance of small and medium-sized enterprises in the EU economy and providing a comprehensive SME policy framework for the EU and its Member States. The SBA aims at improving by policy makers the overall approach to entrepreneurship, to irreversibly anchor the 'Think small first' principle in policy-making from regulation to public service, and to promote the growth of SMEs by helping them tackle those problems which hamper their development.

Principle 1 of the SBA sets out to 'create an environment in which entrepreneurs can thrive and entrepreneurship is rewarded'. As a concrete follow-up to this aim in 2008, the Commission launched the pilot project 'Erasmus for Young Entrepreneurs' (EYE). It operates on the basis of call for proposals whereby Intermediary Organisations (IOs) are selected to manage the programme locally. After several calls for proposals, which showed promising results, the action was turned into a more consolidated programme, under the Entrepreneurship and Innovation Programme. In 2014, the Council and the European Parliament adopted the Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) that includes the mobility of new entrepreneurs among the actions to promote entrepreneurship. The COSME Programme (2014-2020), aims to promote growth and to strengthen the competitiveness and sustainability of enterprises in the European Union.

In 2017 there are 175 active Intermediary Organisations (IOs) (27 consortia) in 30+ countries co-financed by the Commission. The total number of exchanges is expected to be 2000 per year.

In November 2016 the European Commission adopted a communication on "Europe's next leaders: the Start-up and Scale-up Initiative"². This communication confirms among other things the importance of connecting start-ups with the right partners in order to simplify their life. In order to connect start-ups with business partners, the Commission will launch a number of pilot measures in 2017, including the extension of the Erasmus for Young Entrepreneurs Programme to entrepreneurs in international markets, which is the subject of this call for proposals.

This call for proposals implements the Pilot Project "ALECO (Achieve Leadership in Entrepreneurship and Cooperation Opportunities)", initiated by the European Parliament. The financing decision (budget line 02 02 77 30) for this Pilot Project was adopted by the Commission on 5 May 2017.

Policy Context

This call for proposals concerns the implementation of a pilot project initiated by the European Parliament on the geographical extension of the current 'Erasmus for Young Entrepreneurs' (EYE) programme³ to a number of countries outside the European Union⁴, more specifically to the USA (maximum two U.S. States), Israel and one third country in Asia selected from Singapore, Taiwan and South Korea.

The proposed action is a one-way mobility scheme for young innovative European entrepreneurs⁵ with a duration of 1 to 3 months in targeted non-EU host countries. It will build on the experience acquired in the implementation of the Erasmus for Young Entrepreneurs (EYE) programme.

¹ COM(2008)394 of 25.06.2008 Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions- "Think Small First" - A "Small Business Act" for Europe

² COM(2016) 733 final of 22.11.2016 Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions "Europe's next leaders: the Start-up and Scale-up Initiative"

³ <http://www.erasmus-entrepreneurs.eu/>

⁴ **COSME** is the EU programme for the Competitiveness of Enterprises and SMEs, running from 2014 to 2020, with a budget of €2.3billion. COSME supports SMEs in the following areas: Facilitating access to finance; Supporting internationalisation and access to markets; Creating an environment favourable to competitiveness; Encouraging an entrepreneurial culture.

⁵ The action is open only for citizens of EU member states

2. OBJECTIVE OF THE CALL

The overall objective of this call for proposals is to support new or aspiring European entrepreneurs in the crucial phase of establishing, running and growing their business by working together with an experienced entrepreneur from a country outside the Europe. New entrepreneurs should be able to develop their entrepreneurial skills, international outlook and their competitiveness.

Through this geographical extension of the current "Erasmus for Young Entrepreneurs" programme, cross-border transfer of knowledge and experience, entrepreneurial culture and entrepreneurship shall be fostered even further.

The specific objectives are:

1. To foster exchange of entrepreneurs from EU countries and countries outside Europe: USA (max. two U.S. States), Israel and one third country in Asia (to be selected by the applicant among Singapore, Taiwan or South Korea);
2. To provide on-the-job-training for New Entrepreneurs (NE) with established Host Entrepreneurs (HE) in small and medium-sized enterprises elsewhere in non-EU countries, in order to facilitate a successful start-up, scale-up and development of their business ideas;
3. To foster sharing of experience and information between entrepreneurs on the obstacles and challenges of starting up, developing and growing their businesses;
4. To enhance market access and identification of potential partners for new European businesses in the USA (max. two U.S. States), Israel and one third country in Asia (to be selected by the applicant among Singapore, Taiwan or South Korea).

The purpose of this call is to **select one organisation/consortium** which will recruit host entrepreneurs from USA (max. two U.S. States), Israel and a third country in Asia and manage their successful exchanges with at least 120 new entrepreneurs from the European Union.

Tasks / Work Packages

The activities to be implemented under this call are detailed in the five work packages as described below.

WP 1	Management of the programme, networking and reporting	(a) management, quality control and evaluation (b) active networking in the NE destination area (c) reporting
WP 2	Promotion of the programme (can be subcontracted) and recruitment of host entrepreneurs	(d) promotion of the programme (e) preparation of a promotion booklet based on the results of the project / final event (f) enrolment of host entrepreneurs
WP 3	Relationship building	(g) assessing applications from host entrepreneurs (h) building relationships
WP 4	Relationship management	(i) financial support to the new entrepreneurs (j) preparation and follow up of the exchange (k) linking new entrepreneurs to the local entrepreneurial community
WP 5	Final evaluation of the project	(l) collection and analysis of feedback from entrepreneurs

a) Management, quality control and evaluation (WP1)

Applicants should describe the following:

- How they will undertake the management of the project
- The measures they will take to ensure that high quality standards are applied and that the aims are fulfilled.
- How achievement of objectives will be monitored and what appropriate corrective measures will be done to ensure compliance with the requirements of the project.

- The main risks that might be encountered and the corresponding mitigating measures (to be described in detail).

Within their project management planning the applicants are requested to plan for a kick off meeting (duration at least one day) where all project actors as well as the currently used IT tool will be introduced. Further project management plans should also include participation in 4 Network Meetings (usually taking place in February and September of each year, either in Brussels or another location in the EU) organised within the "Erasmus for Young Entrepreneurs" programme to enable all implementing organisations for the EYE to meet, network and exchange best practices.

b) Active networking in the NE destination area (WP1)

Applicants should describe their links with the business community and how they will actively network with local business communities (start-ups, incubators/accelerators) in the NE destination area and the Local Intermediary Organisations of the current EYE programme with the aim of matching entrepreneurs.

c) Reporting (WP1)

The selected applicant is expected to report regularly to the European Commission on activities performed, matching relationships, problems encountered, solutions implemented and resources spent. This includes a technical progress report after 6, 12 and 18 months of the programme and a final report at the end of the action.

d) Promotion of the programme (WP2)

Given the fact that this entrepreneurial exchange scheme is new in the target countries, specific attention should be given to this work package.

Applicants must describe the proposed communication and promotion measures to effectively raise awareness, disseminate information on the mobility scheme and reach a maximum number of potential host entrepreneurs. Communication activities should, in particular, target relevant business organisations and other bodies supporting businesses and start-ups, as well as other target audiences as appropriate. Applicants should demonstrate that they have appropriate access to entrepreneurs. These activities should be focused so as to ensure that the entrepreneurs who will subsequently apply to the programme will qualify for it and will show good motivation and commitment. Also, potential participants should understand that the exchanges organised under the scheme are not internships.

Applicants should include in their proposal how they will attract HEs from USA (max. two U.S. States), Israel and one third country in Asia (to be selected by the applicant among Singapore, Taiwan or South Korea) to participate in the project. Non-financial incentives such as special promotion opportunities for their companies on a project website may be one option.

An appropriate level of visibility of the EU's financial contribution to the project and link with the EYE programme will be required and should be clearly visible. The successful applicants must at least include a link to the programme's website on their respective websites and display the European Union logo in their communication tools for the programme.

Successful applicants should develop a project specific website to be used for promotion purposes in the new target countries as well as a project specific social channel that will serve not only for promotion of the project but also for exchange of experience between participating entrepreneurs.

e) Preparation of a promotion booklet based on the results of the project / final event (WP2)

Based on the feedback analysis the successful applicant should prepare a final promotional booklet with success stories and results of the project. These results will be presented during a final event in Brussels.

f) Enrolment of HEs (WP2)

Applicants should explain how they will engage host entrepreneurs to participate in the programme, and the specific channels and man days used for this purpose.

The application must provide sufficient details of how many host entrepreneurs the applicant will engage to participate in the programme and when. Experience shows that not all recruited entrepreneurs will be matched. On average out of two entrepreneurs recruited, only one is matched within the project period.

Applicants should be well aware of the challenge of this task, as barriers can be expected from entrepreneurs who could potentially benefit from the programme: potential host entrepreneurs may consider

that they do not have the time or underestimate the benefits they could derive from the exchange with the new entrepreneur.

The proposal should contain enough information about access to and contacts with entrepreneurs that the applicants have, whether direct or indirect (via their own or other networks), and the kind of relationships that they maintain, giving supporting figures where possible.

The new entrepreneurs will enrol via the Erasmus for Young entrepreneur's programme site⁶. Their eligibility and fitness for the project will be assessed by the active EYE programme Intermediary organisations. The successful applicant will have access to the NE profiles in view of finding a suitable match between the NEs and HEs.

g) Assessing applications from HEs (WP3)

The Commission has developed the Erasmus for Young Entrepreneurs online IT tool whereby NEs and HEs apply for the EYE scheme. The HEs for this project will also have to apply via this IT tool. It will be necessary for the applicant for the present call to: support HEs in the application process⁷, screen HEs' applications and assess the HEs' willingness to mentor an NE, engage in the exchange (as it is not a mere internship for the new entrepreneur), and to insure that both sides will derive positive benefit for themselves from the collaboration.

Applicants are invited to describe how they would check the quality and ensure the eligibility of applications of host entrepreneurs.

Eligible host entrepreneurs are defined as successful and experienced entrepreneurs- owners of an SME or people directly involved in entrepreneurship at SME management board level. They must fulfil the following criteria to participate in the programme:

- ▶ Be successful and experienced: more than 3 years (cumulative) of activity should be considered as a minimum for an HE and;
- ▶ Run a micro, small or medium-sized enterprise in one of the target countries: USA (max. two U.S. States), Israel and one third country in Asia (to be selected by the applicant among Singapore, Taiwan or South Korea) according to the EU definition of an SME as owners or members of the Board (not employees). The business can be in any sector.

The NEs can be hosted in an incubator in the target countries if the following requirements are met:

- ▶ An HE linked to the incubator and fulfilling the general eligibility criteria needs to apply and register in the programme.
- ▶ This HE needs to be available for the NE to work on a common project, and to pass on personal experience and entrepreneurship skills.

At the same time interested HEs must be based in the USA, Israel or a third country in Asia to participate in the programme.

"Based" is defined as:

- ▶ The place where the company of the applicant is registered, and where the applicant is residing.

The successful applicant shall assess, manage and follow-up on all applications received. Equally, the applicant should endeavour to avoid any discrimination for reasons of gender, sexual orientation, religion, race, colour, ethnic or social origin, genetic features or membership of a national minority.

h) Building relationships (WP3)

The process of successfully matching NEs and HEs is a key element of the mobility scheme and it is implemented by using the Erasmus for Young Entrepreneurs online IT tool where all approved NE and HE profiles are available. The so-called "matching" process will be considered successful if it leads to being assessed as a 'successful relationship' questionnaire by the two entrepreneurs in the final feedback.

The applicants are invited to describe how they plan to identify proactively the best matches, support contacts and monitor relationships before and during the stay abroad. Upon the conclusion of the grant

⁶ <http://www.erasmus-entrepreneurs.eu/page.php?cid=19>

⁷ HE application form is available at https://webgate.ec.europa.eu/erasmusentrepreneurs/index.cfm?fuseaction=nehemgt.reg_form

agreement, the successful applicant will receive initial training for the IT tool database together with the IT tool manual.

i) Financial support to new entrepreneurs (WP4)

Once the relationship has been agreed, the successful applicant has to ensure that both parties involved (NE and HE) sign an agreement related to the exchange. In addition, the NE and the successful applicant must sign a contract specifying the tasks that will be carried out during the exchange, responsibilities, financial conditions and legal implications. Applicants should describe how they would arrange this in an efficient and effective way, allowing for potential amendments, compliance with the non-profit rule and the handling of payments and reports.

The applicant's proposal should also include the payment of the following financial support to at least 120 new entrepreneurs for participation in the project:

1) Cost to cover travel to the exchange destination:

-In case of USA and the proposed destinations in Asia, a lump sum of € 800

-In case of Israel a lump sum of € 600

2) Monthly lump sum to NEs of € 1000 to cover extra costs for the stay abroad.

The minimum duration of the stay abroad is 1 month and the maximum duration is 3 months. Fragmented stays are allowed. However, the cost of travel will only be paid once per participant. New entrepreneurs can only participate once in this project. Host entrepreneurs can host several new entrepreneurs consecutively.

The purpose of the financial assistance provided to NEs is to cover part of the lodging, subsistence and travel costs incurred for the exchange. The successful applicant is expected to provide the financial assistance to the NEs, provided that the relationship between the NE and the HE complies with the rules. The successful applicant will be responsible for correct management of this financial assistance. The applicants to the call should describe how they intend to organise the management and control of this financial assistance in an efficient and effective way, including avoidance of any financial abuse.

j) Preparation and follow up of the exchange (WP4)

In relation to the preparation and follow up of the exchange the successful applicant is expected to offer local and remote assistance to both, visiting NEs during their stay with HEs, as well as to HEs themselves.

Applicants are asked to describe how they will assist HEs prior to NEs arrival, and what support they will offer to NEs during the stay with their HEs (e.g. for issues concerning visa, accommodation, visit tour, networking, etc.). They should also describe how they will follow up the exchanges, and the mechanisms to be put in place to avoid problems and potential conflicts.

Furthermore the applicants are asked to describe how they will assist NEs prior to and during their stay, especially by helping them integrate into the local ecosystem and get to know the key players in their area (e.g. supplying information on important business related subjects, such as business and contract law, an overview on the country specific market and economy; making sure that the NE benefits from a visiting tour where the new entrepreneur gets to know relevant actors in his field in the area).

k) Linking new entrepreneurs to the local entrepreneurial community (WP4)

Successful applicants should ensure that NEs are given the possibility to regularly network with other entrepreneurs in addition to their HEs. This immersion in the "cloud" may for example take the form of participation in pitching sessions, investment events, visit tours, etc. and should represent maximum 20% of the time spent in the destination.

The applicants for this call should further describe how they will foster networking between the participating NEs themselves.

l) Collection and analysis of feedback from entrepreneurs (WP5)

The applicants should describe how they intend to organise the continuous reporting of participants in an efficient and effective way (The process of collecting the final feedback questionnaires is incorporated in the IT tool). The applicants should propose an effective system for analysing the feedback received from participating entrepreneurs.

3. TIMETABLE

Scheduled start date for the action: February 2018

Maximum duration of action is: 24 months

No applications will be accepted for projects scheduled to run for a longer period than that specified in this call for proposals.

The period of eligibility of costs will start at the earliest on the day the agreement is signed by the last of the parties. If a beneficiary can demonstrate the need to start the action before the agreement is signed, the expenditure may be eligible as from a date before the agreement is signed. Under no circumstances can the eligibility period start before the date of submission of the grant application.

	Stages	Date and time of indicative period
a)	Publication of the call	11 May 2017
b)	Deadline for submitting applications	30 August 2017 – 17:00 Brussels time
c)	Information to applicants	November 2017
d)	Signature of grant agreement	December 2017 – January 2018
e)	Starting date of the action	February 2018

4. EU FINANCING

Maximum budget allocated for EU financing under this call: € 750.000,-

Indicative number of projects: 1

Maximum EU financing rate (% of eligible costs): 90% of total eligible costs

with 100% of third party financing and 80% of all other cost items

Maximum EU financing per new entrepreneur:

1) Cost to cover travel to the exchange destination:

-For USA and one of the proposed destinations in Asia a lump sum of € 800

-For Israel a lump sum of € 600

2) Lump sum of €1000 per month for a maximum of three months to cover extra costs of the stay abroad

Proposals with requesting EU co-financing above either of the two above-mentioned maxima will not be eligible.

The Commission reserves the right to award a grant of less than the amount requested by the applicant. In such a case, applicants will be asked either to increase their co-financing, to propose other co-financing means or to decrease the total costs without altering the substance of the proposal. Grants will not be awarded for more than the amount requested.

Publication of the call (on the Commission Internet site and/or in the Official Journal) does not guarantee the availability of funds for the above action.

4.1. GENERAL PRINCIPLES OF EU FUNDING

Non-cumulative award

Each action may give rise to the award of only one grant from the budget to any one beneficiary.

In no circumstances shall the same costs be financed twice by the Union budget.

Applicants have to inform the Commission immediately of any multiple applications and multiple grants relating to the same action. The applicant shall inform the Commission about sources and amounts of EU funding applied for or received for the same action or for part of the action. Applicants shall indicate if they receive EU funding for their functioning during the financial year in which the action takes place.

Non-retroactivity

No grant may be awarded retrospectively for actions already completed.

A grant may be awarded for an action which has already begun, provided 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.

Co-financing

Grants shall involve co-financing. EU financing may not cover 100% of the total costs of the action.

Co-financing of the action may take the form of:

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

Non-profit rule

An EU grant may not have the purpose or effect of producing a profit within the framework of the action. .

Where a profit is made, the Commission is entitled to recover the percentage of the profit corresponding to the EU contribution to the eligible costs actually incurred. For this purpose, profit shall be defined as a surplus of the receipts over the eligible costs incurred, when the request for payment of the balance is made.

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, who foresee that costs will not be incurred in euros, are invited to use the exchange rate published on the Infor-euro website available at http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm.

4.2. ELIGIBLE COSTS

In order to be eligible for funding, costs should be actually incurred by the beneficiary and meet the following criteria:

- they are incurred during the duration of the action, as indicated in the grant agreement, with the exception of costs relating to the request for payment of the balance and the corresponding supporting documents (audit certificates);
- they are indicated in the estimated budget of the action;
- they are necessary for the implementation of the action, in accordance with the description of the action, attached to the grant agreement;
- 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 principle 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 costs made by affiliated entities can be eligible, provided that:

- the entities concerned are identified in the grant agreement;
- the entities concerned abide by the rules applicable to the beneficiary under the grant agreement with regard to eligibility of costs and rights of checks and audits by the Commission, OLAF and the Court of Auditors.

Please note that the exact scope of the eligibility of costs is defined by the grant agreement, which will be signed with the successful applicant.

4.2.1. Eligible direct costs

Direct costs of the action are those specific costs directly linked to the implementation of the action and can therefore be attributed directly to it. They shall not include any eligible indirect costs.

The following categories of costs can be considered as eligible direct costs:

- the costs of personnel working under an employment contract with the beneficiary or an 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 beneficiary's usual policy on remuneration. Those costs may also include additional remunerations, including payments on the basis of supplementary contracts regardless of the nature of those contracts, provided that they are paid in a consistent manner whenever the same kind of work or expertise is required, independently from the source of funding used.

- salary 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.
- costs of travel and related subsistence allowances, provided that these costs are in line with the beneficiary's usual practices on travel;
- the depreciation costs of equipment or other assets (new or second-hand) as recorded in the accounting statements of the beneficiary, provided that the asset has been purchased in accordance with the conditions applicable to implementation contracts and that it is written off in accordance with the international accounting standards and the usual accounting practices of the beneficiary
- costs of consumables and supplies, provided that they are purchased in accordance with the conditions applicable to implementation contracts;
- costs arising directly from requirements imposed by the grant agreement (dissemination of information, specific evaluation of the action, audits, translations, reproduction), including the costs of requested financial guarantees, provided that the corresponding services are purchased in accordance with the conditions applicable to implementation contracts;
- costs entailed by subcontracts, concluded for the externalisation of specific tasks or activities which form part of the action or work programme as described in the proposal, provided that the conditions with the conditions applicable to implementation contracts are met;
- costs of financial support to third parties, in accordance with the conditions set by the grant agreement for such financing;
- duties, taxes and charges paid by the beneficiary, provided that they are included in eligible direct costs, and unless specified otherwise in the Agreement.
Non-deductible VAT is eligible.
- costs relating to a pre-financing guarantee lodged by the beneficiary of the grant, where that guarantee is a condition for the payment of a pre-financing;
- costs relating to external audits where such audits are required in support of the requests for payments;

4.2.2. Eligible indirect costs

A flat-rate amount of 7% of the total eligible direct costs of the action with the exception of financial support to third parties 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.

Indirect costs are not eligible for beneficiaries that receive an operating grant from the European Commission.

4.2.3. Non-eligible costs

In addition to any other costs which do not fulfill the conditions set out in Article II.19.1, the following costs shall not be considered eligible:

- return on capital;
- debt and debt service charges;
- provisions for losses or debts;
- interest owed;
- doubtful debts;
- exchange losses;
- costs of transfers from the Commission charged by the bank of a beneficiary;

- costs declared by the beneficiary in the framework of another action receiving a grant financed from the Union budget (including grants awarded by a Member State and financed from the Union budget and grants awarded by other bodies than the Commission for the purpose of implementing the Union budget);
- in particular, indirect costs shall not be eligible under a grant for an action awarded to a beneficiary which already receives an operating grant financed from the Union budget during the period in question;
- contributions in kind from third parties;
- excessive or reckless expenditure;
- deductible VAT.
- participation by any staff of the institutions in actions receiving grants
- any other costs which have been specified as ineligible in the call for proposal

In addition to the above, the Commission can refuse to finance certain costs included in the proposal. The beneficiary can decide to maintain and finance these costs out of his own resources, but they will not be taken into account as eligible costs.

4.3. CO-FINANCING AND JOINT AND SEVERAL RESPONSIBILITY

The beneficiary has to supply evidence of the co-financing provided. It can be provided either by way of own resources, or in the form of financial transfers from third parties.

In case of a joint application, all partners shall agree upon appropriate arrangements between themselves for the proper performance of the action.

In particular, they shall accept joint and several responsibility up to the value of the contribution that the beneficiary held liable is entitled to receive, as stipulated in the General Conditions of the draft grant agreement.

The final grant agreement shall be signed by each applicant. Alternatively it shall be signed by the appointed co-ordinator, provided that a power of attorney has been conferred to this entity (Annex IV of the draft grant agreement).

4.4. IMPLEMENTATION CONTRACTS/SUBCONTRACTING

Where the implementation of the action requires the use of contracts (implementation contracts), the beneficiary must ensure that the contract is awarded to the bid offering best 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 shall abide by the applicable national public procurement rules, in the meaning of Directive 2014/24/EU on the coordination of procedures for the award of public work contracts, public supply contracts and public service contracts or contracting entities in the meaning of Directive 2014/25/EU coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors.

Sub-contracting for the purpose of the action

Sub-contracting refers to contracts concluded for the externalisation of specific tasks or activities which form part of the action as described in the proposal. Such contracts must satisfy the conditions applicable to any implementation contract and, in addition, the following conditions:

- Subcontracting may only cover the implementation of a limited part of the action up to 15 % of the eligible costs.
- It must be justified having regard to the nature of the action and what is necessary for its implementation;
- The proposal should clearly identify the subcontracted activities

Subcontracting does not in any way limit the responsibility of beneficiaries for the implementation of the action. Please note that the beneficiary(ies) should have the necessary capacity to perform the project. Only tasks that are not core business can be sub-contracted to consultants.

It is not necessary to have already selected subcontractors at the time the proposal is submitted. However, the cost of contractors not selected in accordance with the applicable rules for procurement will not be eligible.

4.5. FINANCIAL SUPPORT TO THIRD PARTIES

The applications shall envisage provision of financial support to third parties. The applications must include the following financial support to be paid to a minimum of 120 new entrepreneurs to participate in the project:

a) The maximum amount of financial support to a third party (new entrepreneur from Europe) is € 3.800,-.

b) The financial support to a third party consists of two parts:

1) The first part is to cover travel to the exchange destination:

-For USA and for the proposed destinations in Asia a lump sum of € 800

-For Israel a lump sum of € 600

2) The second part is to cover extra costs incurred for the stay abroad:

- A monthly lump sum of € 1000 is paid to New Entrepreneurs

c) The financial support can be given to New Entrepreneurs applying to an exchange in the framework of the current action, who fulfil the eligibility criteria, find a suitable match and take part in an exchange with a Host Entrepreneur.

4.6. FINAL GRANT AND PAYMENT ARRANGEMENTS

The draft grant agreement annexed to this call for proposals specifies the calculation of the final grant and the payment arrangements.

Your attention is in particular drawn to the General Conditions of the grant agreement, where the eligibility of costs is described. Detailed explanations and a description of how costs should be budgeted and reported can be found in the Guide for Applicants.

In case of grants of at least 750.000 €, for which the cumulative amounts of requests for payment is at least 325.000 €, a certificate by a registered auditor on the financial statements and underlying accounts ("certificate on the financial statements") has to be submitted to certify that the costs reported are real, accurate and in accordance with the grant agreement.

The EU grant may not have the purpose or effect of producing a profit within the framework of the action. Where a profit is made, the Commission is entitled to recover the percentage of the profit corresponding to the EU contribution to the eligible costs actually incurred. For this purpose, profit is 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. Where such a surplus occurs, the Commission is entitled to recover the percentage of the profit corresponding to the EU contribution to the eligible costs actually incurred by the beneficiary.

The Commission may require the beneficiary to lodge a guarantee for grants exceeding € 60 000, based on a risk analysis.

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 States of the European Union. When the beneficiary is established in a third country, the

authorising officer responsible 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.

5. ELIGIBILITY

APPLICATIONS MUST COMPLY WITH ALL OF THE ELIGIBILITY CRITERIA SET OUT IN THIS SECTION.

5.1. ELIGIBLE APPLICANTS

Applications from legal entities established in one of the following countries are eligible:

- EU Member States

Several applicants, submitting a joint proposal should choose within their midst a lead organisation, referred to as the coordinator.

The coordinator and other applicants must satisfy the same eligibility criteria.

- Applications must be submitted by a legal person.
- Applicants must correspond to the definition, of the following target organisations :
 - Public entities responsible for or active in the fields of economic affairs, enterprise, business support or related issues;
 - Chambers of commerce and industry, chambers of handicrafts or similar bodies;
 - Business support organisations, start-up centres, incubators, technology parks, etc.;
 - Business associations and business support networks;
 - Public and private entities offering business support services;
- Corporate bodies must be properly constituted and registered under the law. If a body or organisation is not constituted under the law, a physical person must be designated to provide the legal responsibility.
- 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. For that purpose, applicants shall identify such affiliated entities in the application form. The affiliated entities will have to comply with the eligibility and exclusion criteria.
- Several entities that form together one entity, whether or not this entity is established for the purpose of implementing the action, may apply as a sole beneficiary. The entities will be considered as affiliated entities, which each will have to comply with eligibility, exclusion and selection criteria.

Supporting documents

Subject to the eligibility criteria indicated above, the applicants should provide the following supporting documents to establish their eligibility:

- **private entity:** extract from the official journal, copy of articles of association, extract of trade or association register, certificate of liability to VAT (if, as in certain countries, the trade register number and VAT number are identical, only one of these documents is required);
- **public entity:** copy of the resolution or decision establishing the public company, or other official document establishing the public-law entity;
- **consortium:** in addition to the supporting documents referring to their legal status, consortium members will submit letters confirming their participation to the project,

5.2. ADMISSIBLE AND ELIGIBLE PROPOSALS

Applications must comply with the following conditions in order to be eligible for a grant:

- Applications must be sent no later than the deadline for submitting applications referred to in section 9.
- Applications must be submitted in writing, using the application form and the electronic submission system, as indicated in the Guide for Applicants.
- Applications must be drafted in one of the EU official Languages. If your proposal is not in English, a translation of the full proposal would be of assistance to the evaluators. An English translation of an abstract may be included in the proposal (see Guide for Applicants).
- Proposals must be submitted in conformity with the call specifications;
- Only projects that are strictly non-profit-making and/or whose immediate objective is non-commercial shall be eligible.
- Applications must respect the maximum rate for EU co-financing.
- Applications must respect the maximum amount for EU co-financing.
- Applications must respect the maximum duration of projects.
- Applications must respect the requirements set for the start date.
- Applications may not include contributions in kind as part of their co-financing.

In this context, will be rejected any project directly or indirectly contrary to EU policy or against public health, human rights, citizen's security or freedom of expression.

6. EXCLUSION CRITERIA

6.1. EXCLUSION FROM PARTICIPATION

An entity will be excluded from participating in the call for proposals procedure if :

(a) it is bankrupt, subject to insolvency or winding-up procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its business activities are suspended, or where it is in any analogous situation arising from a similar procedure provided for under national laws or regulations;

(b) it has been established by a final judgment or a final administrative decision that the entity is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the contracting authority is located or those of the country of the performance of the contract;

(c) it has been established by a final judgment or a final administrative decision that the entity is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:

(i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract;

(ii) entering into agreement with other entity with the aim of distorting competition;

(iii) violating intellectual property rights;

(iv) attempting to influence the decision-making process of the contracting authority during the award procedure;

(v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;

(d) it has been established by a final judgment that the entity is guilty of any of the following:

(i) fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;

(ii) corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the law of the country where the contracting authority is located, the country in which the applicant is established or the country of the performance of the contract;

(iii) participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA;

(iv) money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council;

(v) terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;

(vi) child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;

(e) the entity has shown significant deficiencies in complying with main obligations in the performance of a contract financed by the budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;

(f) it has been established by a final judgment or final administrative decision that the entity has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95.

g) for the situations of grave professional misconduct, fraud, corruption, other criminal offences, significant deficiencies in the performance of the contract or irregularity, the applicant is subject to:

(i.) facts established in the context of audits or investigations carried out by the Court of Auditors, OLAF or internal audit, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;

(ii.) non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;

(iii) decisions of the ECB, the EIB, the European Investment Fund or international organisations;

(iv) decisions of the Commission relating to the infringement of the Union's competition rules or of a national competent authority relating to the infringement of Union or national competition law.

(v) decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

The same exclusion criteria apply to affiliated entities

6.2. EXCLUSION FROM AWARD

Grants will not be awarded to an applicant who, in the course of the grant award procedure:

(a) is in a situation of exclusion established in accordance with Article 106 FR

(b) has misrepresented the information required as a condition for participating in the grant award procedure or has failed to supply that information;

(c) was previously involved in the preparation of procurement documents where this entails a distortion of competition that cannot be remedied otherwise.

The same exclusion criteria apply to affiliated entities.

6.3. SUPPORTING DOCUMENTS

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to by filling in the "Exclusion Criteria Form" (form B4).

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

By using the "Exclusion Criteria Form" applicants shall declare on their honour that they are not in one of the situations referred to in Articles 106 and 107 of the Regulation (EC, Euratom) n° 966/2012 on the financial rules applicable to the general budget of the Union (Financial Regulation, as amended).

Please note that administrative and financial penalties may be imposed by the Commission on applicants who are excluded in relation to points a) to g) of the form in question.

For grants with a value exceeding € 60 000, the Commission may require further evidence, as indicated in article 143 Rules of Application.

7. SELECTION

7.1. 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 to be submitted with the application:

For grants of a total value < EUR 60 000:

- a declaration on honour

For grants of a total value ≥ EUR 60 000, in addition:

- a declaration on honour and,
- form B/5 provided for in the submission set, filled in with the relevant statutory accounting figures. Other documents may be submitted if needed (see IV.4 Guide to applicants)

For grants for an action ≥ EUR 750 000 or operating grants ≥ EUR 100 000, in addition:

- an audit report produced by an approved external auditor certifying the accounts for the last financial year available.

In the event of an application grouping several applicants (consortium), the above threshold regarding audit reports applies per applicant.

In the case of affiliated entities forming together **one** sole applicant, the above requirements apply to each of the affiliated entity.

7.2. OPERATIONAL CAPACITY

Applicants must show they have the **operational (technical and management) capacity** to complete the operation to be supported and must **demonstrate their capacity to manage scale activity** corresponding to the size of the project for which the grant is requested. In particular, the **team responsible** for the project/operation must have **adequate professional qualifications and experience**.

In this respect, applicants have to submit:

a declaration on their honour,

- the following supporting documents:

- curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the operation;
- *the organisations' activity reports;*
- *an exhaustive lists of previous projects and activities performed and connected to the policy field of this call or to the actions to be carried out;*
- *proof of links to and knowledge of the entrepreneurial ecosystem in the respective countries they plan to implement the project in.*

In the case of affiliated entities forming together a sole applicant, the above requirements apply to each affiliate entity.

The selection procedure is described in further detail in the Guide for Applicants.

8. AWARD

An evaluation of the quality of proposals, including the proposed budget, will be carried out in accordance with the evaluation criteria set out in annex 3 to this call for proposals.

The evaluation procedure is described in further detail in the Guide for Applicants.

9. SUBMISSION OF PROPOSALS

Please note that only electronic submissions are allowed for this call.

Please consult the Guide for Applicants for the modalities of preparing the proposal.

Submission of a grant application implies acceptance of the conditions of the grant agreement, attached to this call

The deadline for submission of proposals is:

30/08/2017 [17.00:00 Brussels local time]

10. CONTACTS

Contacts between the contracting authority and potential applicants can only take place in certain circumstances and under the following conditions only:

Before the final date for submission of proposals:

- At the request of the applicant, the Commission may provide additional information solely for the purpose of clarifying the nature of the call.
- Any requests for additional information must be made in writing only to the coordinates stated below.
- The Commission may, on its own initiative, inform interested parties of any error, inaccuracy, omission or other clerical error in the text of the call for proposals.
- Any additional information including that referred to above will be published on the internet in concordance with the various call for proposals documents.

After the deadline for submission of proposals:

- If clarification is requested or if obvious clerical errors in the proposal need to be corrected, the European Commission will contact the applicant provided that the terms of the proposal are not modified as a result.
- If the authorising officer finds that those proposals, which have been listed for award need limited adaptations to their proposal. In such case, these applicants will receive a formal letter setting out the requested modifications. Any such modifications must stay within the limits of the request. This

phase will not lead to a re-evaluation of the proposals, but a proposal might be rejected if the applicant does not wish to comply with the modifications requested.

Contact coordinates for the call:

European Commission

Internal Market, Industry, Entrepreneurship and SMEs Directorate-General

Unit H2 Enterprise Europe Network and Internationalisation of SMEs

E-mail address: GROW-EYE-GLOBAL-CALL@ec.europa.eu

Office address: BREY 06/303, B-1049 Brussels, Belgium

11. 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 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 GROW.H2: Enterprise Europe Network and Internationalisation of SMEs.

Details concerning the processing of personal data are available on the privacy statement at:

http://ec.europa.eu/dataprotectionofficer/privacystatement_publicprocurement_en.pdf.

Personal data may be registered in the Early Detection and Exclusion System (EDES) if the applicant is in one of the situations mentioned in Article 106 of the Financial Regulation. For more information, see the Privacy Statement on:

http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm

12. PUBLICITY

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 available at https://ec.europa.eu/info/file/16851/download_en?token=YtJiL2aB . If this requirement is not fully complied with, the beneficiary's grant may be reduced in accordance with the provisions of the grant agreement.

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 Commission will publish the following information:

- name of the beneficiary;

- address of the beneficiary (legal persons) or reference to the region (natural persons);
- 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 freedom of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the beneficiaries.

13. ANNEX 1 SUBMISSION SET

The Submission Set is composed of :

- Form B1- B2 Budgetary Forms
- Form B3 - Co-financing statement form
- Form B4 - Exclusion form
- Form B5 - Financial Statement Form
- Form B6 - Description of the project
- Form B7 - Curriculum Vitae
- Form B8 - Professional references
- Form B9 - Miscellaneous

And is available in the eSubmission tool "SEP"

The Submission Set can be downloaded from the following page: <http://ec.europa.eu/growth/contracts-grants/calls-for-proposals/>

14. ANNEX 2 GUIDE FOR APPLICANTS

The Guide for Applicants can be downloaded from the following page: <http://ec.europa.eu/growth/contracts-grants/calls-for-proposals/>

15. ANNEX 3 EVALUATION CRITERIA

When assessing the below evaluation criteria, the evaluation committee generally pays attention to the elements indicated below each criterion. Please note that these elements, which are indicative and non-exhaustive, are given on the basis of transparency and in order to help applicants to improve their applications.

EVALUATION CRITERIA AND KEY ELEMENTS LIKELY TO BE ASSESSED BY THE EVALUATION COMMITTEE	MAX. SCORE
1. Relevance	30
<i>How relevant is the proposal to the objectives of the published call and the way in which it includes the expected activities</i>	
<i>How wide and direct is the access to the target group (host entrepreneurs)?</i>	
2. Quality	30
<i>How coherent, appropriate and practical are the overall project design and the activities proposed in view of the effective recruitment, assessment and selection of applicants, proactive matchmaking, and follow-up of exchanges,</i>	
<i>To what extent is the allocation of resources appropriate and balanced with a view to achieving the objectives of the proposal?</i>	
<i>To what extent does the project have an efficient and effective management structure and plan, especially with regard to fulfilling the timetable and respecting deadlines? How clearly defined are the tasks and responsibilities including the system of payment to new entrepreneurs?</i>	
3. Impact	20
<i>To what extent are the proposed promotion and dissemination activities effective for attracting host entrepreneurs?</i>	
<i>To what extent is the project likely to establish the required number of successful relationships between new and host entrepreneurs?</i>	
<i>Does the proposal contain objectively verifiable indicators for the project outcomes?</i>	
<i>Does the proposal contain an effective system for feedback collection?</i>	
4. Budget and Cost-effectiveness	15
<i>To what extent is the budget clear and detailed?</i>	
<i>To what extent is the proposed expenditure sufficient and necessary for the implementation of the project?</i>	
<i>To what extent is the budget reasonable in relation to the expected results and proposed activities?</i>	
5. Visibility of the European Institutions' involvement	5
<i>To what extent does the action include and ensure the visibility of the EU support?</i>	
Maximum total score	100

If a total score lower than 70 points or a score lower than 50% for any of the above five criteria is obtained, the proposal will not be evaluated further.

16. ANNEX 4 - AGREEMENT

- Multi-beneficiary Grant agreement for action⁸

⁸ In case the grant is awarded to a mono-beneficiary the text of the agreement will be duly adapted.