



# European Maritime and Fisheries Fund

## Call for proposals

Blue Economy SME Window call 2019  
EMFF-BEW-2019<sup>1</sup>

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**EUROPEAN COMMISSION**  
Executive Agency for Small and Medium-sized Enterprises (EASME)  
EASME.A – COSME, H2020 SME and EMFF  
**A.3 – EMFF**

**European Maritime and Fisheries Fund**  
**Blue Economy SME Window call 2019**  
**EMFF-BEW-2019<sup>2</sup>**

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<sup>2</sup> Call ID in 2019 EMFF Work Programme: EMFF-2019-1.2.1.9

## 0. Introduction

This is a call for proposals for EU action grants for SMEs in the area of Blue Economy under the European Maritime and Fisheries Fund.

The call for proposals is launched in accordance with the 2019 Work Programme for the implementation of the European Maritime and Fisheries Fund (EMFF) (section 1.2.1.9 of the annex to the Work Programme)<sup>3</sup> and will be managed by the Executive Agency for Small and Medium-sized Enterprises (EASME).

It covers the following topic:

- **EMFF- BEW-2019** – BlueInvest Grants: investing in Blue Innovation

We invite you to read the call documentation carefully, i.e. this **call document** and the **Guide for applicants**. 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 impacts of the call (sections 1 and 2)
  - timetable and available budget (section 3)
  - admissibility, eligibility, and other conditions (sections 4, 5 and 7)
  - award criteria (section 6)
  - evaluation procedure (section 8)
  - legal and financial set-up and submission procedure (section 9 and 10)
- the Guide for applicants outlines the:
  - procedures to register and submit proposals online via the [EU Funding & Tender Opportunities Portal](#) ('Portal');
  - recommendations for the preparation of the proposal;
  - explanation on the application form (Proposal Template (Part A and B));
  - overview of the cost eligibility criteria.

Applicants are encouraged to take into account the principles of the [EASME Environmental Policy Charter](#) when preparing their proposals. More information about the environmental policy of EASME is provided in Annex to this call.

You also are encouraged to visit the [EASME website](#) to consult the list of projects funded previously under the EMFF.

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<sup>3</sup> Commission Implementing Decision C(2019) 7127 amending Decision C(2018) 8395 of 13 December 2018 on the financing of the European Maritime and Fisheries Fund and the adoption of the work programme for 2019

## 1. Background to the call

Europe's blue economy and especially SMEs play a crucial role in supporting coastal communities and in decarbonising our economy. This call for proposals aims to accelerate the sustainable development of blue economy SMEs across the European Union.

The Commission's first economic reports on the blue economy in 2018 and 2019<sup>4</sup> show that innovative and emerging maritime sectors, such as the blue bio-economy, and other sustainably managed ones, have a growth potential that can out-perform traditionally managed sectors and create new business opportunities and maritime jobs. However, a study<sup>5</sup> to support investment in the blue economy conducted by the Commission shows that there are considerable funding gaps in scaling up promising projects from pilot to demonstration phase and to help blue economy SMEs and start-ups achieve the 'next stage' of business growth.

The study concluded that more EU investment support is needed, and that finance sector relevant for the blue economy needs to be encouraged to invest more in emerging maritime businesses. In particular, it shows that businesses in innovative, sustainable and circular blue economy sectors, while receiving financial support, including funding from Horizon 2020, lack support on the path towards market entry and scaling up.

Therefore, grants supported under the Blue Economy SME Window call for proposals 2019 will address the challenge of developing and bringing to market new products, services, and business models for SMEs that could ultimately create profitable activities.

This will be part of a new comprehensive service package offered by the 'BlueInvest platform' that supports investment readiness and access to finance for early-stage businesses, SMEs and scale-ups in the blue economy. Hence the branding of the grants as 'BlueInvest Grants'. For more info on the platform services: <http://www.blue-invest.eu>

These grants will support projects that accelerate innovation in the blue economy, demonstrate high potential in terms of company competitiveness and growth underpinned by a strategic business plan and which aim to create and maintain high quality jobs in the blue economy. Projects need to involve in particular the sustainable use of marine resources for innovative and/or circular economic activities and contribute to healthy oceans and Europe's 'Green Deal'. They may include deploying, demonstrating, or scaling-up new solutions for the blue economy including technologies, service applications.

### Definitions

- *Blue economy* — The blue economy covers economic activities that take place in the marine environment or that use sea resources as an input, as well as economic activities outside the marine environment that are involved in the production of goods or the provision of services that will contribute to those activities. They can also be land-based activities such as, for instance, micro-algae production and processing, land-based aquaculture, or similar.

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<sup>4</sup> [https://ec.europa.eu/maritimeaffairs/documentation/publications\\_en](https://ec.europa.eu/maritimeaffairs/documentation/publications_en)

<sup>5</sup> <https://op.europa.eu/en/publication-detail/-/publication/aee1a34c-3b0c-11e9-8d04-01aa75ed71a1/language-en>

- *Value chain* — the entire range of activities that (one or more) actors engage in to bring a product from its conception to its end use, ranging from design, production and marketing to distribution and support to the final consumer<sup>6</sup>.
- *Demonstration project* — a project consisting of activities directly aiming at producing plans and arrangements or designs for new, altered or improved products, processes or services. For this purpose they may include prototyping, demonstrating, piloting, large-scale product validation and market replication. The new solution can be a new technology, process, service, business model, or a new application of an existing solution.
- *Technology Readiness Levels (TRL)*<sup>7</sup> — Scale applied by many public and industry stakeholders to assess the maturity of evolving technologies/applications in terms of their feasibility and commercial potential.
- *Key enabling technologies* — KETs comprise micro and nanoelectronics, nanotechnology, industrial biotechnology, advanced materials, photonics, and advanced manufacturing technologies<sup>8</sup>. They provide the basis for innovation in a wide range of industries such as automotive, food, chemicals, electronics, energy, pharmaceuticals, construction, and telecommunications. They can be used in emerging and traditional sectors.
- *Business plan* — General business practices apply to the content of the business plan. The business plan will include all necessary details to address the way forward in terms of additional work to be done, resources to be committed and budget needed, pre-requisites and framework conditions, outline of an underlying business model, dissemination, exploitation and sustainability plans
- *Commercialisation plan* — Commercialisation plan describes the strategy that your organization/consortium will use to generate revenue and, business opportunities. It maps out a strategy to move forward and describes the current and anticipated landscape/resources required to address the opportunity enabled by the innovation presented in the proposal<sup>9</sup>.
- *Letter of intent* —
  - a letter from a recognised investor who intends to invest in the product/service/solution provided that the work described in the submitted proposal is carried out accordingly.

or

<sup>6</sup> <http://s3platform.jrc.ec.europa.eu/value-chains>

<sup>7</sup> Technology Readiness Levels (TRL): scale applied by public and industry stakeholders to assess the maturity of evolving technologies/applications in terms of their feasibility and commercial potential. The Technology Readiness Level (TRL) of the proposed actions must be from 6 to 9 (see [General Annex G of the H2020 Work Programme](#) to assess the TRL of your innovation):

TRL 6 - Technology demonstrated in relevant environment

TRL 7- System prototype demonstration in operational environment

TRL 8 - System complete and qualified

TRL 9 - Actual system proven in operational environment

<sup>8</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions-"Preparing for our future: Developing a common strategy for key enabling technologies in the EU"{SEC(2009)1257}/\*COM/2009/0512 final \*/

<sup>9</sup> Commercialization is the process of bringing new products or services to market. The broader act of commercialization entails production, distribution, marketing, sales, customer support, and other key functions critical to achieving the commercial success of the new product or service.

- a letter from a client who will buy the product or service on this basis. It shall mention the name of investor, type of investment support, amount, duration, date and signature.
- *Pitch deck presentation* — A pitch deck is a brief presentation, often created with a software package (ex.: PowerPoint, Keynote, Prezi, etc.), used to provide an audience with a quick overview of one's business plan. One will usually use a pitch deck during face-to-face or online meetings with potential investors, customers, partners, and co-founders.

## **2. Objectives – Scope- activities – expected impacts of the call**

### **Objectives**

The objectives of this call for proposals are to:

- a) Help innovative technologies and/or maritime services improve their market readiness and advance towards market entry
- b) Facilitate scaling up business models and service concepts
- c) De-risk investment in these projects to facilitate their access to other financing schemes for the next stages of their activities.

Projects are expected to have Technology Readiness Level (TRL) 6-8 ("TRL 6 – technology demonstrated in relevant environment (industrially relevant environment in the case of key enabling technologies)" and "TRL 8 system complete and qualified")<sup>10</sup>, as defined in the [General Annex G of H2020 Work Programme](#). This aspect will be assessed during evaluation.

### **Scope and activities that can be funded**

In order to achieve the objectives above, proposals should:

- contribute towards the establishment of a product and/or service in the blue economy and
  - contribute to one or more EU political objectives including lower greenhouse gas emissions, a more circular economy, energy security, adaptation to climate change, inclusion of coastal communities, creation of high-value blue economy jobs, better protection, sustainable use of natural or cultural capital
- and/or
- shift existing activities towards these goals.

*A non-exclusive list of relevant areas for the blue economy includes:*

- the blue bioeconomy — the cultivation, husbandry or capture of living material from fresh or saltwater and activities based on the use or processing of this material
- digital transformation of ocean and coastal activities
- renewable energy — including energy from wind, sun (floating), tide, wave and thermal gradients; logistic or supporting activities in that area are covered

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<sup>10</sup> The limit to the frame of intervention of the proposed actions is to pre-commercial activities

- enabling technologies such as sensors, corrosion or biofouling resistant materials or coating, digitisation, electricity transmission equipment, multi-purpose platforms
- production of new products from living or non-living resources that would otherwise be wasted
- cleaner shipping
- pollution monitoring, clean-up or management
- new facilities that support the diversification or energy efficiency of ports
- tourism which contributes to the protection or preservation of natural capital.

*Excluded areas are:*

- exploration or extraction of gas and petroleum
- coastal tourism other than specifically aimed at reducing its carbon footprint or enhancing biodiversity.

Projects must focus on concrete activities including demonstration, validation, piloting, scaling-up, miniaturisation, certification, design, market replication and the like aiming to bring an innovation (product, process, service etc.) to industrial readiness and maturity for market introduction.

Applicants must explain how their proposals will advance towards the commercial phase by improving the market-readiness of innovative products and services and demonstrating their benefit to potential clients.

Proposals must specify the concrete outcome of the project in terms of new product and/or services and criteria for success. Particular attention must be paid to Intellectual Property protection and ownership; applicants will have to present convincing measures to ensure the possibility of commercial exploitation ('freedom to operate').

**Expected impacts**

Projects are expected to have the following impacts:

- Enhance SMEs profitability and growth performance
- Create or maintain high quality jobs
- Generate a measurable social and environmental impact contributing to EU goals such as decarbonisation, circular economy and the [UN's Sustainable Development Goals](#) (e.g. SDG 14)
- Seize new market and business opportunities in the EU and beyond
- Increase of private investment in Blue innovations, notably leverage of private co-investment and/or follow-up investments
- Demonstrate European Added Value, by contributing in a concrete way to EU job creation and growth and if relevant to the EU's sea-basin strategies<sup>11</sup>.

Applicants should justify how they address each of the expected impacts listed above.

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<sup>11</sup> Sea basins strategies Atlantic, Baltic Sea, Black Sea, Mediterranean or North Sea and equivalent sea basin strategies: [https://ec.europa.eu/maritimeaffairs/policy/sea\\_basins\\_hr](https://ec.europa.eu/maritimeaffairs/policy/sea_basins_hr)



The expected impact should be clearly described in qualitative and quantitative terms (e.g. on turnover, employment, market size, IP management, sales, return on investment and profit).

### **3. Timetable & available call budget**

#### **Time-table**

Timing (planned)	
Call publication:	21 November 2019
Opening of submissions:	21 November 2019
Deadline for applications:	27 February 2020 – 17:00 CET
Evaluation:	March-May 2020
Information on evaluation result:	June-July 2020
Grant agreement signature:	August-September 2020
Indicative Starting date:	01 October 2020

#### **Call budget**

The available call budget is **EUR 22 505 000**.

This budget might be increased by maximum 20%.

EASME considers that proposals requesting a contribution in the range **between EUR 700 000 and EUR 2 500 000** would allow the specific objectives of the Call topic to be addressed appropriately. Nonetheless, this does not preclude submission and selection of proposals requesting other amounts.

EASME reserves the right not to award all available funds for this call depending on the applications received and the evaluation results.

### **4. Admissibility conditions**

#### **Admissibility**

Applications must be submitted before the call deadline (*see time-table section 3*).

Applications must be submitted electronically via the Funding & Tender Opportunities Portal Electronic Submission System (accessible via the Call Topic page in the [Search Funding & Tenders](#) section). Paper submissions are no longer possible.

Applications (including annexes and supporting documents) must be submitted using the forms provided inside the Electronic Submission System (not the documents available on the Call Topic page – these are only for information).

The application must be readable, accessible and printable and contain all the requested information and all required annexes and supporting documents (*see section 10*).

Applications are limited to 45 pages, additional pages will not be considered by the evaluators.

## 5. Eligibility conditions

### **Participants**

#### General eligibility conditions for participants:

1. In order to be eligible for a grant, the applicants must:

- be exclusively for-profit SMEs' e.g. micro-, small- and medium-sized enterprises, as defined in Commission Recommendation 2003/361/EC, that are not 'non-profit legal entities' (i.e. 'legal entity which by its legal form is non-profit-making or which has a legal or statutory obligation not to distribute profits to its shareholders or individual members')
- be legally established in EU Member States (including overseas countries and territories OCTs)<sup>12</sup>

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).

Applicants established in non-EU countries can exceptionally be considered eligible if their involvement is necessary in view of the nature of the action and in order to reach its objectives.

Special rules may apply for entities from certain countries (*e.g. entities which are established in the Autonomous Republic of Crimea or the city of Sevastopol, countries covered by Council sanctions, entities covered by Commission Guidelines No [2013/C 205/05](#)*<sup>13</sup>. Such entities are not eligible to participate in any capacity, including as subcontractors or recipients of financial support to third parties under the grant (if any).

To prove eligibility, all applicants must register in the [Participant Register](#) — before the call deadline — and upload the necessary documents showing legal status and origin. In addition applicants must obtain a positive SME assessment in the Participant Register and be validated as 'for profit entity'.

Linked third parties (i.e. affiliated entities<sup>14</sup> that participate in the project with funding, but do not become beneficiaries) are allowed.

For UK applicants: Please note that until the United Kingdom leaves the EU, nothing changes with regard to the participation in EU programmes. Please be aware however that the eligibility criteria must be complied with for the entire duration of our grants. If the United Kingdom withdraws from the EU during that period (without an agreement

<sup>12</sup> The Overseas Countries and Territories (as per Annex II of the Treaty on the functioning of the EU) are: Anguilla (UK), Aruba (NL), Bermuda (UK), Bonaire (NL), British Antarctic Territory (UK)\*, British Indian Ocean Territory (UK)\*, British Virgin Islands (UK), Cayman Islands (UK), Curaçao (NL), Falkland Islands (UK), French Polynesia (FR), French Southern -and Antarctic Territories (FR)\*, Greenland (DK), Montserrat (UK), New Caledonia and Dependencies (FR), Pitcairn (UK), Saba (NL), Saint Barthélemy (FR), Sint Eustatius (NL), Sint Maarten (NL), South Georgia and South Sandwich Islands (UK)\*, Saint Helena, Ascension Island, Tristan da Cunha (UK), St. Pierre and Miquelon (FR), Turks and Caicos Islands (UK), Wallis and Futuna Islands (FR). (\*) OCTs without a permanent local population. OCTs have a specific status since they are not part of the territory of a Member State but closely linked to it and not a fully independent state.

<sup>13</sup> 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). Note that these guidelines extend to third parties receiving financial support within the meaning of Article 204 EU Financial Regulation [2018/1046](#).

<sup>14</sup> See Article 187 EU Financial Regulation [2018/1046](#).

ensuring eligibility for UK beneficiaries), you will cease to receive EU funding or be required to leave the project on the basis of the contractual provisions on termination.

**Specific eligibility conditions for participants:**

2. The applications can be submitted by a consortium of partners<sup>15</sup> or a single applicant.
3. The consortium coordinator or the single applicant submitting the application has to be established in an EU Member State.

**Activities**

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

Where applicable, applicants should explain how their proposal build on, complement or differ from previously funded projects, whether EU or supported from other sources.

Financial support to third parties is not allowed.

**Duration**

Projects are expected to run for a duration of up to 36 months depending on the scope of the project (extensions may be granted only exceptionally, for duly justified reasons and following formal EASME agreement).

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<sup>15</sup> For profit SMEs only.

## 6. Award criteria

Admissible and eligible applications will be evaluated and ranked against the following award criteria:

INNOVATION - 25% WEIGHTING	IMPACT – 50% WEIGHTING	IMPLEMENTATION - 25% WEIGHTING
<p><b>Objectives, scope and methodology</b></p> <p>Describe the overall and specific objectives for the project, which should be clear, measurable, realistic and achievable within its duration.</p> <p>Consistency of objectives with the expected exploitation and impact of the project.</p> <p>Soundness of the concept and credibility of the proposed methodology.</p> <p><b>Challenge and solution</b></p> <p>The customer pain point, the business need, technological challenge or market opportunity.</p> <p>The market's state-of-the-art including short explanation of the historical evolution of the field, timeliness of innovation.</p> <p><b>Innovation potential</b></p> <p>Description of your innovation, its current development stage referring to</p>	<p><b>Market and business opportunities</b></p> <p>Analysis of competitors (including substitutes and alternatives) and explanation of the competitive advantage of the proposed solution.</p> <p>Description of targeted users and/or customers and unique selling point. Description of market type (e.g. niche, low/high volume, new/mature), size (e.g. volume, value, geographical scope) and growth rate. Description of the targeted market share.</p> <p><b>Growth performance</b></p> <p>Outline of the business model, including the revenue model and commercialisation plan with an approximate time-to-market or deployment.</p> <p>Impact of innovation on the company financials (profit/loss, turnover and cash flows), and efficiency/productivity improvement in the 3 years following the launch of this project.</p> <p><b>Market uptake and increase of private investment</b></p>	<p><b>Team</b></p> <p>Description of the team, their achievements and experience (underlining strengths and weaknesses), their roles within the project. Role of the company's owner(s).</p> <p>Company's ownership and capital structure.</p> <p><b>Work plan, management structures and risks</b></p> <p>Description of planned activities, including a coherent and effective work plan, providing a time-efficient planning (Gantt chart or equivalent) and adequate management structure (description of responsibilities, decision making mechanisms and communication arrangements).</p> <p>Risk management plan identifying potential risks and providing risk prevention and mitigation measures.</p> <p>In the case of a consortium, demonstrate that the partners constitute an essential part of the demonstration activity.</p> <p>In particular, if there is a partner from a non EU country, please justify that their involvement is necessary in view of the nature of the action and in order to reach its objectives.</p>

<p>Technology Readiness Levels (TRL) (see <a href="#">General Annex G of the H2020 Work Programme</a>) and progress beyond state of the art.</p> <p>Analysis of the barriers to entry into the market (legal, regulatory and technology standards requirements) and plans to overcome them.</p> <p>Technological, practical and economic feasibility of the innovation.</p> <p>Description of the scalability of the model if relevant.</p>	<p>Strategy for knowledge management and protection including IPR strategy (e.g. IPR assets).</p> <p>Measures to ensure commercialisation ('freedom to operate').</p> <p>Plans for subsequent financing of the proposed innovation, notably leverage of private co-investment and/or follow-up investments.</p> <p><b>European added value</b></p> <p>European dimension of the planned activities.</p> <p>Contribution to EU goals and UN SDGs as listed in the call text.</p> <p>Contribution of the proposed innovation to EU growth and the creation or maintenance of high quality jobs in the EU.</p> <p><b>Communication and dissemination</b></p> <p>Strategy for communicating and disseminating the project results and activities, with a description of relevant target group(s), appropriate activities, tools and channels. Where relevant measures for public or societal engagement.</p>	<p>Description of how key stakeholders /subcontractors will be involved.</p> <p><b>Resources</b></p> <p>Consistent budget with the activities proposed, sufficiently detailed, cost-effectiveness and value for money including subcontracting.</p>
<p><b>The 'feasibility' aspect is particularly examined in Step 2 of the evaluation.</b></p>	<p><b>The 'commercialisation' aspect is particularly examined in Step 2 of</b></p>	<p><b>The 'team' aspect is particularly examined in Step 2 of the evaluation.</b></p>

	<b>the evaluation.</b>	
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Maximum points: 15.

Individual thresholds (per award criterion): 3 points out of 5. Half points can be given.

Overall threshold: 10 points.

Highest scored proposals that pass the individual threshold AND the overall threshold will be considered for funding — within the limits of the available indicative budget per topic.

Other applications will be rejected.

The evaluation procedure is explained further in [section 8](#).

## 7. Other conditions

### **Financial capacity**

Applicants must have stable and sufficient resources to successfully implement the project and contribute their share. Organisations participating in several projects must have sufficient capacity to implement several projects.

The financial capacity check will be carried out by the Commission services on the basis of the documents project participants will be requested to upload in the [Participant Register](#) (profit and loss account and balance sheet for the last two closed financial years, or for newly created entities possibly the business plan; for applicants requesting more than EUR 750 000: audit report produced by an approved external auditor, certifying the accounts for the last closed financial year).

The analysis will take into account elements such as dependency on EU funding and deficit and revenue in previous years.

It will normally be done for all applicants, 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 (low-value grant).


If needed, it may also be done for linked third parties.

If the financial capacity of project participants is considered as not satisfactory, it may be required:

- further information
- an enhanced financial responsibility regime, i.e. full joint and several responsibility for all applicants (*see below, section 9*)
- (one or more) pre-financing guarantees (*see below, section 9*)

or

- propose no pre-financing
- reject your participation or, if needed, the entire application.

 For more information, see [Rules on Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment](#).

### **Operational capacity**

Applicants must have the know-how and qualifications to successfully implement the project.

This capacity will be assessed on the basis of the experience of the applicants and their teams.

Applicants will have to show this via the following information<sup>16</sup>:

- for each applicant, a list of 2 or 3 activities (i.e. projects, publications, products, services and/or other achievements) relevant to the call content and connected to the subject of the proposal

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<sup>16</sup> By filling in the operational capacity fiche (Annex 2 to the Proposal Template (Part B))

- where appropriate, a description of the technical equipment, tools or facilities and patents at the disposal of the applicants.

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

Public bodies and international organisations are exempted from the operational capacity check.

### **Exclusion**

Applicants that are subject to an EU administrative sanction (i.e. exclusion or financial penalty decision)<sup>17</sup> or in one of the following situations<sup>18</sup> are excluded from receiving EU grants and will automatically be rejected:

- bankruptcy, winding up, affairs administered by the courts, arrangement with creditors, suspended business activities or other similar procedures (including procedures for persons with unlimited liability for the applicant's debts)
- in breach of social security or tax obligations (including if done by persons with unlimited liability for the applicant's debts)
- guilty of grave professional misconduct<sup>19</sup> (including if done by persons having powers of representation, decision-making or control, beneficial owners or natural 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 natural 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 or grant decision (including if done by persons having powers of representation, decision-making or control, beneficial owners or natural 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 natural 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 natural persons who are essential for the award/implementation of the grant).

Applicants will also be rejected if it turns out during the grant award procedure that they<sup>20</sup>:

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<sup>17</sup> See Article 136(1) EU Financial Regulation [2018/1046](#).

<sup>18</sup> See Articles 136(1) and 141(1) EU Financial Regulation [2018/1046](#).

<sup>19</sup> 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.

<sup>20</sup> See Article 141(1) EU Financial Regulation [2018/1046](#).



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

**IMPORTANT**

- **Coordinator & consortium** — The coordinator represents the consortium towards the EU. You must have agreement of the other members and their mandate to act on their behalf and will have to confirm this in your application. Moreover you will have to declare that the information in the proposal is correct and complete and that all participants comply with the conditions for receiving funding (especially, eligibility, financial and operational capacity, no exclusion, etc.) and have agreed to participate. Before signing the grant agreement, each participant will have to confirm this again by signing a declaration of honour (DoH). Proposals without full support will be rejected.
- **Linked third parties** — Applicants may participate with linked third parties (i.e. affiliated entities) that receive funding. Linked third parties must comply with all the conditions set out in this call (just like applicants), but they do not sign the grant agreement and do not count towards the minimum eligibility criteria for consortium composition.
- **Subcontractors** — Subcontracting is allowed, but subject to specific rules as stated in the Article 10 of the Grant agreement.
- **Registration** — All applicants must register in the [Participant Register](#) — before the call deadline — and upload the necessary documents showing legal status and origin. Linked third parties can register later (during grant preparation).
- **Completed/ongoing projects** — Applications for projects that have already been completed will be rejected; applications 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 proposal submission).
- **Balanced project budget** — Applicants 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*). You may be requested to lower the estimated costs, if they are ineligible (including excessive).
- **No-profit rule** — Grants may NOT give a profit (i.e. surplus of receipts + EU grant over costs). This will be checked at the end of the projects.
- **No double funding** — Any given action may receive only one grant from the EU budget. The project must therefore NOT receive any financial support under any other EU funding programme (including EU funding managed by authorities in EU Member States or other funding bodies, *e.g. Regional Funds, Agricultural Funds, EIB loans, etc.*). Cost items may NOT be declared twice under different EU actions.
- **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 the *Guide for applicants for the detailed cost eligibility conditions*.

- **Multiple applications** — Applicants may submit more than one application for *different* projects under the same call (and be awarded a grant for them).

Organisations may participate in several applications.

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

- **Language** — You can submit your proposal in any official EU language. However, for reasons of efficiency, we strongly advise to use English. If you need the call document in another official EU language, please submit a request within 10 days after call publication (for the contact information, see section 10).
- Applications 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.

## 8. Evaluation & award procedure

This call is subject to a two-step evaluation procedure.

Under step 1, applications will be checked against the formal requirements (admissibility and eligibility) and then evaluated by an evaluation committee (assisted by independent external experts) against the operational capacity and award criteria and then ranked in descending order (ranking list) according to their overall evaluation score.

Proposals that are outside scope will be scored '0' for the "Innovation" criterion (— with the comment 'out of scope of the call') and not further evaluated.

Ranked proposals are then passed on to step 2, as a batch, until the cumulated amount of grant requested is as close as possible to twice the call budget available or, alternatively, all proposals eligible for funding have been accounted for as their aggregated grant funding is inferior to twice the call budget available. The actual threshold to pass to Step 2 will therefore be dynamic and depend on the volume of proposals received that pass all quality thresholds.

Proposals that pass to step 2 will be invited for an **interview** in Brussels during the week of **11-15 May 2020** to clarify their proposal (especially with regard to aspects relating to the award criteria).

Based on the outcome of the interview, the ranking list will be finalised as follows:

- proposals proposed for funding – final score A;
- proposals not proposed for funding – final score B.

In the case of ex-aequo proposals (proposals given the same consensus score), the following method is applied: Proposals are first prioritised according to scores given for the award criterion 'impact'. Where those scores are equal, priority is then determined using scores for the award criterion 'innovation'. If a distinction still cannot be made, a further prioritisation can be done by considering the overall project portfolio and the creation of positive synergies between projects, and/or other factors related to the objectives of the call for proposals (including geographical coverage). All applicants will be informed of the evaluation outcome after the conclusion of both steps of the evaluation procedure.

**IMPORTANT**

- **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 receiving the grant.

**9. Legal & financial set-up of the grants**

If your project is selected for funding, you will be asked to sign a grant agreement (available on [Portal Reference Documents](#)).

This grant agreement will set the framework for your grant and its terms and conditions, in particular provisions on deliverables, reporting and payments.

**Starting date & project duration**

The project starting date and duration will be fixed in your grant agreement (art. 3). Normally the starting date will be after grant agreement signature. Retroactive application can be granted exceptionally only for duly justified reasons; in such case, the earliest possible starting date is the proposal submission date.

Project duration: up to 36 months depending on the scope of the project (extensions will be granted by EASME only exceptionally, for duly justified reasons).

**Maximum grant amount, reimbursement of eligible costs & funding rate**

All grant parameters (maximum grant amount, funding rate, total eligible costs etc.) will be fixed in your grant agreement (art. 5).

Project budget: See section 3 above. The grant awarded may be lower than the amount requested.

The grant will be a reimbursement of actual costs. This means that it will reimburse **ONLY** certain types of costs (eligible costs) and **ONLY** those costs you *actually* incurred for your project (NOT the *budgeted* costs).

The costs will be reimbursed at the funding rate fixed in the grant agreement (70%).

EU grants may NOT produce a profit. If there is a profit (i.e. surplus of receipts + EU grant over costs), it will be deducted from the final grant amount.

The received final grant amount will therefore depend on a variety of criteria (*actual costs incurred and project income; eligibility; compliance with all the rules under the grant agreement, etc.*).

**Cost eligibility rules**

For the cost eligibility rules, see the model grant agreement (art. 6) and the Guide for applicants.

Specific cost eligibility rules for this call:

- 7% fixed flat-rate for indirect costs
- depreciation costs for equipment
- project activities must take place in one of the eligible countries
- financial support to third parties is not allowed
- subcontracting of action tasks is subject to special rules and must be approved by EASME (either as part of your proposal or in a periodic/final report)
- in-kind contributions against payment are allowed (in-kind contributions for free are not prohibited, but they are cost-neutral, i.e. cannot be declared as cost and will not be counted as receipts)
- VAT — please note that there are new rules in place since 2013 for public entities (VAT paid by beneficiaries that are public bodies acting as public authority is NOT eligible)
- costs for the introductory meeting will be eligible as travel costs (2 persons, return ticket to Brussels, accommodation for one night) — if the meeting takes place after the project starting date set out in the grant agreement.

### **Reporting & payment arrangements**

The reporting and payment arrangements will be fixed in the grant agreement (art. 15 and 16).

After grant signature, EASME will provide you with a float to start working on the project (pre-financing of 40% of the maximum grant amount; exceptionally less or no pre-financing).

There will be 1 interim payment linked to a periodic report.

At the end of the project, you will be invited to submit a report and EASME will calculate the final grant amount. If the total of earlier payments is higher than the final grant amount, EASME will ask you (your coordinator) to pay back the difference (recovery).

### **Deliverables**

Standard deliverables will be listed in the grant agreement (art. 14). The project-specific deliverables will be listed in Annex 1.

### **Pre-financing guarantee**

If a pre-financing guarantee will be required, it will be fixed in the grant agreement (art 16.2). The amount will be fixed during grant agreement preparation, and will be equal to or lower than the pre-financing for the grant.

The guarantee should be in euro and issued by an approved bank/financial institution established in an EU Member State.

If the project participants are established in a non-EU country and would like to provide a guarantee from a bank/financial institution in that country, they should contact Commission services (this may be exceptionally accepted, if it offers equivalent security).

Amounts blocked in bank accounts will NOT be accepted as financial guarantees.

The guarantee is NOT linked to individual consortium members. You are free to organise how the guarantee amount should be provided (by one or several

beneficiaries, for the overall amount or several guarantees for partial amounts). It is important that the requested amount is covered and the guarantee(s) are sent by the coordinator before the pre-financing (through the Portal) AND the original by post.

If agreed with us, the bank guarantee may be replaced by a joint and several 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.

### **Special provisions**

IPR rules: see model grant agreement (art. 19)

Promotion & visibility of EU funding: see model grant agreement (art. 22)

### **Cost rejection, grant reduction, recovery, suspension & termination**

The grant agreement (chapter 6) provides for the measures that may be taken in case of breach of contract (and other violations of law).

### **Liability regime for recoveries**

The liability regime for recoveries will be set out in the grant agreement (art. 28), i.e. either:

- limited joint and several liability with individual ceilings — each beneficiary up to *its* maximum grant amount
  - unconditional joint and several liability — each beneficiary up to the maximum grant amount for the *action*
- or
- individual financial responsibility — each beneficiary only for its debt.

## **10. How to submit an application?**

All applications must be submitted electronically via the Portal Electronic Submission System (accessible via the Call Topic page in the [Search Funding & Tenders](#) section). Paper submissions are no longer possible.

The **submission process** is explained in the [Online Manual](#) (together with detailed instructions for the IT tool).

Mandatory **annexes & supporting documents** (directly available in the Submission System) for this call are:

- operational capacity fiche (annex 2 to the Proposal Template (Part B)) – mandatory
- EMFF project indicators table (annex 3 to the Proposal Template (Part B)) - mandatory
- business plan<sup>21</sup> (annex 4 to the Proposal Template (Part B))
- first commercialisation plan<sup>22</sup> (annex 5 to the Proposal Template (Part B))
- letter of intent to be uploaded by applicants<sup>23</sup>(annex 6 to the Proposal Template (Part B))

<sup>21</sup> Whereas applicants must present elements of their business and commercialisation plans in the proposal part B, they are expected to provide further details of those plans in the respective dedicated annexes.

<sup>22</sup> See footnote number 21.

- pitch-deck presentation (provided in pdf)<sup>24</sup> giving a high-level overview of the various aspects of the proposal.

The pitch-deck will exclusively be considered for the step 2 of the evaluation.

Please note that only the pitch-deck provided as part of your proposal may be used during the interview (i.e. no update possible).

### **Other annexes**

- A detailed budget table is available on the Call Topic page (Annex 1 to the proposal part B). You are not required to use this template to prepare your proposal, nor upload it with your application, but you will be requested to provide it if you are selected for funding.

Applicants are encouraged to take into account the principles of [EASME's Environmental Policy Charter](#).

### **Contact**

For questions on the Portal Submission System, please contact the [IT Helpdesk](#).

Non-IT related questions should be sent to the following email address: [EASME-EMFF-calls@ec.europa.eu](mailto:EASME-EMFF-calls@ec.europa.eu).

Please indicate clearly the reference of the call for proposals and the topic to which your question relates to in the subject line (*see call document cover page*).

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<sup>23</sup> The letter does need to comply with a specific formal template but must indicate such elements as the name of the recipient company, name of the investor, type of investment support, amount, date, signature, duration.

<sup>24</sup> The pitch-deck should not conform to a specific template but its contents must address the aspects of the proposal highlighted in the evaluation criteria. The pitch presentation shall not last more than 10 minutes.

**⚠ IMPORTANT**

- **Consult** the Portal Call Topic page regularly. We will use it to publish updates and additional information on the call.
- **Don't wait** until the end.

Questions received later than 7 days before the call deadline cannot be answered.

We strongly advise you to complete your proposal sufficiently in advance of the deadline, to avoid any last minute technical problems. Any problems due to last minute submissions (*e.g. congestion, etc.*) will be at your risk. The call deadline will NOT be extended.

- Before submitting a proposal, all applicants must be **registered** in the [Participant Register](#) and obtain a participant identification code (PIC) (one for each applicant).
- By submitting their proposal, all applicants **accept**:
  - the terms and conditions of this call (as described in this call document and the documents it refers to)
  - to use the electronic exchange system in accordance with the [Portal Terms & Conditions](#).
- After the call deadline, the proposal is locked and can no longer be changed.
- You may be contacted later on if there is a need to **clarify** certain aspects of your **proposal** or for the correction of clerical mistakes.
- You may be asked to submit **additional documents** later on (*e.g. for the legal entity validation, LEAR appointment and financial capacity check*).
- We intend to organise an **introductory meeting** for successful applicants to discuss project management, administrative and financial aspects and reporting obligations. Participation by the coordinator (persons in charge of project coordination and financial matters) will be mandatory.
- **Transparency** — Each year, information about EU grants awarded is published on the [Europa website](#). This includes:
  - the beneficiaries' names
  - the beneficiaries' 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 the rights and freedoms under the EU Charter of Fundamental Rights or harm your commercial interests.

- **Data privacy** — The submission of an application under this call involves the collection, use and processing of personal data (such as name, address and CV). This data will be processed in accordance with Regulation No 45/2001. It will be processed solely for the purpose of evaluating your proposal (and subsequent management of your grant and, if needed, programme monitoring, evaluation and communication). Details are available in the [Portal Privacy Statement](#).
- **Cancellation** — There may be circumstances which may require the cancellation of the call. In this case, you will be informed via a call update. Please note that cancellations are without entitlement to compensation.