



# **Pilot Project**

# Call for proposals

SUPPORTING LOCAL AND REGIONAL NEWS MEDIA IN FACE OF EMERGING NEWS DESERTS

June 2022



EUROPEAN COMMISSION

Directorate-General for Communications Networks, Content and Technology

Directorate Media Policy UNIT I.3 – Audiovisual Industry & Media Support Programmes

# CALL FOR PROPOSALS: SUPPORTING LOCAL AND REGIONAL NEWS MEDIA IN FACE OF EMERGING NEWS DESERTS

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# **0. Introduction**

This is a call for proposals for EU **action grants** in the field of media.

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

Regulation <u>2018/1046</u> (<u>EU Financial Regulation</u>) Pilot project within the meaning of Article 58(2)(a)

The call is launched in accordance with the 2022 Work Programme<sup>1</sup> and will be managed by the **European Commission**, **Directorate-General for Communications Networks, Content and Technology (DG CONNECT)**.

The call covers the following **action**:

PILOT PROJECT — SUPPORTING LOCAL AND REGIONAL NEWS MEDIA IN FACE OF EMERGING NEWS DESERTS

We invite you to read the **call documentation** carefully, and in particular this Call Document, the Model Grant Agreement and all other published annexes, as well as the <u>EU Grants AGA — Annotated Grant Agreement</u>.

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

- the <u>Call Document</u> outlines the:
  - background, objectives, scope, activities that can be funded and the expected results (sections 1 and 2)
  - available budget, timetable and duration (sections 3 and 4)
  - admissibility and eligibility conditions including mandatory documents (sections 5 and 6)
  - criteria for financial and operational capacity and exclusion (section 7)
  - evaluation and award procedure (section 8)
  - award criteria (section 9)
  - legal and financial set-up of the Grant Agreements (section 10)
  - how to submit an application (section 11)
- the <u>AGA Annotated Grant Agreement</u> contains:
  - detailed annotations on all the provisions in the Grant Agreement you will have to sign in order to obtain the grant (including cost eligibility, payment schedule, accessory obligations, etc).

You are also encouraged to visit our <u>website on EU support to the news media sector</u> to consult the list of projects funded previously.

<sup>&</sup>lt;sup>1</sup> Commission Decision C/2022/1052 adopted on 25/02/2022 on the financing of pilot projects and preparatory actions in the field of "Communications Networks, Content and Technology" and the adoption of the work programme for 2022.

# 1. Background

Local, regional and community media play a crucial and valuable role in societies by providing a direct and first-hand source of original reporting to citizens. They contribute to a healthy democracy and to supporting democratic values by keeping decision-makers, authorities, and companies accountable when decisions close to the citizens are being made. They also help citizens participate in public life and cast an informed vote.

In addition, local, regional and community media act as a binding force by providing stories of relevance to local communities in their own contexts. Their reporting reinforces the local fabric and fosters trust, a sense of belonging as well as civic and social participation, ultimately bridging gaps between citizens and institutions. The recent pandemic has been another occasion to underline their positive impact on social cohesion, as they helped citizens remain informed about local vaccination or testing sites. As such, they can be said as serving the "public interest".

However, the very existence of these media have become uncertain in different parts of the European Union. New online consumption behaviours and revenue models have impacted the viability and positioning of local and regional media. Existing physical selling points are disappearing and physical distribution costs are increasing. Online distribution has the potential to lower costs, yet advertising revenues, a pillar of the business model of regional and local media, have taken a dip during the pandemic. With increased online consumption, entire categories of advertising (e.g. classified ads, real estate, jobs, etc.) have moved online, yet few small-scale media initiatives have managed to draw sufficient revenues from digital ads or to build alternative models.

These developments have resulted in shrinking newsrooms, more limited resources for reporting and investigations and ultimately media consolidations and at times bankruptcies. Consequently, and although this deserves further research, a phenomenon of "media deserts" may be emerging – understood as uncovered geographical areas or communities that have few or no news outlets<sup>2</sup> relevant and independent enough to effectively serve them.

The disappearance of local, regional and community media has already been associated with lower turn-out at local elections and greater polarisation<sup>3</sup>. As audiences risk losing access to news relevant to them, this downward trend also poses issues for our cultural and linguistic diversity, for media pluralism, for the control of our information space, and for citizens' right to information and community participation.

In light of the increasing risk of market failure to provide citizens with a sufficiently diverse offer of local and community professionally-produced news, and to uphold our rights and values in this domain (in particular media pluralism), public support to local, regional and community media is deemed essential.

<sup>&</sup>lt;sup>2</sup> Napoli, Philip M., Stonbely, Sarah, McCollough, Kathleen and Renninger, Bryce, 'Assessing the Health of Local Journalism Ecosystems: A comparative Analysis of Three New Jersey Communities', Rutgers School of Communication and Information, June 2015

<sup>&</sup>lt;sup>3</sup> Neff, Timothy, and Victor Pickard. 'Funding Democracy: Public Media and Democratic Health in 33 Countries'. *The International Journal of Press/Politics*, 13 December 2021

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

#### <u>Objectives</u>

The objectives of this pilot project are twofold.

First, it shall help improve the knowledge base of the regional, local and community news media landscape in the EU. While the positive role of news media for social cohesion, trust and democracy at the community, local or regional levels has been underlined, more and better data and overviews around the health and presence of such media is lacking across the EU. Future public policies as well as funding initiatives (from the private as well as the public sector) must be able to rely on quality data.

A second objective is to support news media and initiatives serving those local and regional communities (including, for example, communities of place or linguistic communities) for whom the qualitative and/or quantitative provision of professional news content is strained. In doing so, existing local, regional and community media would become more resilient, more independent, and less likely to disappear. Ultimately, this support should increase media pluralism, help uphold democracy and people's right to information, and drive communities to consume more independent and plural information that addresses issues affecting them and their communities and/or localities.

#### Themes and priorities (scope)

In view of achieving the above objectives, proposals shall put forward two activities.

A first priority/activity (Activity 1), linked to the first objective above, is the mapping of the local and regional news media landscape across the EU and the identification of existing or potential "media deserts".

A second priority/activity (Activity 2), linked to the second objective is, through a media funding scheme, to help strengthen local, regional and community news media across the EU. According to the existing research and literature, support to innovative, bottom-up and digital initiatives that can also test innovative editorial workflows, distribution or business models (incl. new community development models and diversification of revenue sources) could help improve local and regional media's capacity to reach and serve their communities and audiences, and offer them relevant and plural information.

Activities that can be funded (scope)

#### Activity 1

A research will present a state-of-play (mapping) of the local, regional and community news offer in the European Union, in particular in existing or potential "media deserts". Applicants shall define and operationalise the criteria used to qualify "media deserts" as such<sup>4</sup>, and apply them across Member States. This mapping shall allow for an assessment of the state of local, regional and community media in the EU (e.g. outline and identify areas at risk across the EU) and identify common features across groups of countries.

<sup>&</sup>lt;sup>4</sup> For example, qualifying areas or communities served by relatively few (or no) editorially independent newspaper, TV station, online outlet or community radio.

Applicants are invited to ensure they have sufficient expertise and skills to carry out this task within the project team. They shall detail their research methodology and the format the mapping will take, bearing in mind that they are encouraged to use visual elements. The mapping shall be useful to public and private organisations supporting news media, and findings should be publicly available to ensure maximum dissemination.

# Activity 2

Financial support to third parties is considered essential to achieve the objectives of this Call. Applicants will prepare and implement a media funding scheme destined to EU Member States taking into account the themes and priorities described above (e.g. innovation strategies, adoption of new technologies, etc.).

They will describe its purpose and objectives, and will provide the corresponding financial resources to be allocated to the funding. They will present in detail the call(s)<sup>5</sup> for applications they foresee. They shall explain their outreach strategy and how they will communicate and promote their funding scheme to eligible parties, so that it is made known in different countries and languages.

In particular, applicants will have to provide<sup>6</sup>:

- the geographical focus of the funding scheme, knowing that (i) activities carried out by third parties must take place in EU Member States (ii) applicants shall ensure that the funding scheme ultimately supports news media initiatives (third parties) in at **least 5 EU Member States**; (iii) they are encouraged to cover as many areas and news media as possible.
- an exhaustive list of the types of activities for which a third party may receive financial support. Activities must foster the transformation and innovation capacities of media and have a long-lasting impact for local, regional and community media as well as their communities. In this context, eligible costs include support to acquire, develop or maintain technical tools and IT equipment as part of a wider innovation strategy/uptaking of new technologies; support to attend training; support to editorial innovation and audience engagement actions; support to business innovation actions (e.g. diversification of revenues); and support to personnel costs associated to such innovation/transformation/technology uptaking approach.
- the definition of entities which may receive financial support, knowing that (i) supporting local, regional and community media based in the EU constitutes the core of the action; (ii) the priority of this Pilot project is to support such media in areas where needs have been identified and media for which EU financing can have the greater leverage; (iii) the priority is not to support a local coverage by national generalist media or established media conglomerates, nor activist media, understood as forms of media produced by and for individuals and groups engaged in social and political campaigning and organising<sup>7</sup>;

<sup>&</sup>lt;sup>5</sup> The singular form is used throughout the rest of the call, yet several calls are possible.

<sup>&</sup>lt;sup>6</sup> See Article 204 EU Financial Regulation <u>2018/1046</u>

<sup>&</sup>lt;sup>7</sup> Harcup, Tony, A dictionary of journalism, *Oxford University Press* 

- details and justifications of the amount(s) to be granted to each third party and the criteria for determining it/them, as well as the modalities of payment they intend to apply (breakdown, timing, etc.), knowing that (i) the amount of financial support per third party should not exceed **60 000 EUR**<sup>8</sup>; (ii) applicants are invited to offer both small and medium amounts in order to provide for initiatives of different scales; (iii) no co-funding from the ultimate beneficiaries (i.e the third parties receiving the support) shall be required.
- their selection procedure, and in particular the different criteria (further to the ones listed above) for awarding financial support;
- an explanation as to how they intend to ensure independence, to avoid conflicts of interests on the part of their evaluation jury and to guarantee the editorial independence of the selected projects;
- their management and control system, in particular to prevent, mitigate, detect, report on and remedy risks to the effective implementation of the activity and the achievement of its expected outcomes, as well as any reputational risk (e.g. breach of EU values);
- a calendar of their actions, in line with requirements detailed notably in this section as well as section 4 (Project duration and start date) and 10 (Milestones and deliverables).

The call for proposals launched by the beneficiary to support third parties shall respect the following conditions:

- it must be open, published widely and conform to EU standards concerning transparency, equal treatment, conflict of interests and confidentiality;
- it must be consulted with the European Commission prior to publication and remain open for at least 2 months;
- application forms and procedures should be tailor-made to the technical and managerial capacities of local, regional and community media;
- applicants for financial support to third parties shall indicate which editorial standards (e.g. independent reporting) they adhere to, knowing these must be aligned with the usual professional standards of journalistic coverage, authoritative in the sector.

The outcome of the call must be published on the applicants' website, including a description of the selected projects, links, the activities funded, award dates, projects duration, budgets received, and final recipient legal names and countries. This should take the form of "identity fiches".

All projects shall be monitored and evaluated by the applicant in terms of impact. A specific evaluation report of these projects shall be submitted to the European Commission upon completion of the Pilot Project.

<sup>&</sup>lt;sup>8</sup> Unless a higher amount is required because the objective of the action would otherwise be impossible or overly difficult to achieve and this is duly justified in the Application Form – see also section 10.

# Expected impact

Under Activity 1, the mapping task shall contribute to informing the work of public, private and civil society organisations supporting local, regional and community media (beyond the project's lifetime) and addressing media deserts across the EU. It shall also support and inform the regular activities of the applicant and better serve areas most in need.

Under Activity 2, applicants are encouraged to support at least 25 news media projects altogether. Funding is expected to sustain the existence and improve the long-term resilience of the benefitting local, regional and community media, and the wider news media landscapes. In doing so, it should prevent the formation and consolidation of 'news deserts' across the EU, improve the uptake of new technologies across the local, regional and community news media sectors and lead to increase communities' consumption of relevant and plural information.

# 3. Available budget – EU co-funding – grant amount

The available call budget is **EUR 1 990 000**.

The EU co-financing is limited to a maximum of **90%** of the total eligible costs.

We expect to fund **1 project** for a maximum grant amount of EUR 1.990.000. This does not preclude the submission/selection of a proposal requesting a lower amount.

We reserve the right not to award all available funds depending on the proposals received and the results of the evaluation. The grand awarded may therefore be lower than the amount requested.

# 4. Timetable and deadlines

Indicative timetable and deadline for submission			
Call opening:	June 2022		
Deadline for submission:	<u> 19 September 2022 - 23:59:00 CET</u>		
	<u>(Brussels)</u>		
Evaluation:	October – November 2022		
Information on evaluation results:	November - December 2022		
GA signature:	January - February 2023		
Start date of the project	February - March 2023		

#### Project duration and start date

Projects should normally range between 15 and 18 months and start in March 2023 at the latest.

# **5. Admissibility and documents**

Proposals must be submitted before the **call deadline** (see timetable section 4).

The mandatory Grant Application Form and other mandatory template documents to be completed are available at <u>https://digital-strategy.ec.europa.eu/en/news-redirect/746954</u>.

Regarding the submission modality, we refer to section 11.

Proposals must be **complete** and contain all the requested information and all required annexes and supporting documents:

- Application Form Part A contains administrative information about the participants (future coordinator, beneficiaries and affiliated entities) as well as information about the operational capacity of the applicants
- **Application Form Part B** contains the technical description of the project
- Mandatory annexes and supporting documents (to be submitted together with the application):
  - Grant application form (Part A and Part B) and its annexes:
    - Estimated Budget for the action (Annex 2 to CMGA)
    - Legal entity form<sup>9</sup> (for all applicants)
    - Bank account form<sup>10</sup> (only for the coordinator)
    - Financial Capacity Check table and Balance Sheet and Profit & Loss supporting documents (please refer to section 7)
    - CVs (standard<sup>11</sup>) of core project team
    - Declaration on standards and independence
- **Additional annexes and supporting documents** (for information of the applicants and/or to be submitted at a later stage in the procedure):
  - Model Declaration of honour
  - Model grant agreement and its annex 2a-unit costs SME owner and annex 5-specific rules

<sup>&</sup>lt;sup>9</sup> Template in all EU languages for Legal Entity Form available at: <u>http://ec.europa.eu/budget/contracts grants/info contracts/legal entities/legal-</u> <u>entities en.cfm</u>

<sup>&</sup>lt;sup>10</sup> Template in all EU languages for the BAF available at: <u>http://ec.europa.eu/budget/contracts grants/info contracts/financial id/financial-id en.cfm</u>

<sup>&</sup>lt;sup>11</sup> CVs can be submitted in any format. If standard CVs are required in the call conditions we strongly recommend you to use the Europass format. If short outlines are requested, there are no specific formatting requirements (but please keep the information on each person to name, birthdate and 1-2 paragraphs describing studies and most relevant work experience). If you are still recruiting, please provide the job profile.

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Templates are available at <u>https://digital-strategy.ec.europa.eu/en/news-</u> <u>redirect/746954</u>. You are obliged to use all provided templates to prepare your proposal.

Please note that the amounts entered into the tab "consolidated budget" of the Estimated Budget (Annex 2) must correspond to the amounts calculated in the tabs of the detailed budget per applicant/affiliated entity. In case of discrepancies, the amounts in the consolidated budget table will prevail.

<u>At proposal submission</u>, you will have to confirm that you have the **mandate to act** for all applicants. Moreover, you will have to confirm that the information in the application is correct and complete and that the participants comply with the conditions for receiving EU funding (especially eligibility, financial and operational capacity, exclusion, etc)<sup>12</sup>. **Before signing the grant**, each beneficiary and affiliated entity will have to confirm this again by signing a declaration of honour (**DoH**<sup>13</sup>). Proposals without full support will be rejected.

Proposals are limited to maximum **80 pages** (Part B). Evaluators will not consider any additional pages. Shorter proposals are welcome.

You may be asked at a later stage for further/more recent documents (for legal entity validation, financial capacity check, bank account validation, etc).

#### 6. Eligibility

#### Eligible participants (eligible countries)

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

- be legal entities (public or private bodies)
- be established in one of the eligible countries, i.e.:
  - EU Member States (including overseas countries and territories (OCTs)

Proposals may be submitted by news media organisations or organisations active in, or with proven expertise in the media domain, such as:

- non-profit organisation (private or public);
- civil society organisations
- public authorities (national, regional, local);
- international organisations;
- non-governmental organisations;
- universities;
- educational institutions;
- research centres;
- profit making entities;

<sup>&</sup>lt;sup>12</sup> See declaration in Grant Application Form - part A

<sup>&</sup>lt;sup>13</sup> See Article 196.1 (b) and 137(1) EU Financial Regulation 2018/1046

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

Non-profit and civil society organisations are encouraged to apply to this call.

#### Specific cases

<u>Natural persons</u> — Natural persons are NOT eligible (with the exception of selfemployed persons, i.e. sole traders, where the company does not have legal personality separate from that of the natural person).

<u>International organisations</u> — International organisations are eligible. The rules on eligible countries do not apply to them.

<u>Entities without legal personality</u> — Entities which do not have legal personality under their national law may exceptionally participate, provided that their representatives have the capacity to undertake legal obligations on their behalf, and offer guarantees for the protection of the EU financial interests equivalent to that offered by legal persons<sup>14</sup>.

<u>EU bodies</u> — EU bodies (with the exception of the European Commission Joint Research Centre) can NOT be part of the consortium.

#### Affiliated entities15

Legal entities having a legal or capital link with applicants, which is neither limited to the action nor established for the sole purpose of its implementation, may take part in the action as affiliated entities, and may declare eligible costs as specified in section 10.

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

<u>Associations and interest groupings</u> — Entities composed of members may participate as 'sole beneficiary<sup>16</sup>' or 'beneficiaries without legal personality'<sup>17</sup>. Please note that if the action will be implemented by the members, they should also participate as beneficiaries or as affiliated entities, otherwise their costs will NOT be eligible.

<u>EU restrictive measures</u> — Special rules apply for certain entities (*e.g. entities subject* to <u>EU restrictive measures</u> under Article 29 of the Treaty on the European Union (TEU) and Article 215 of the Treaty on the Functioning of the EU (TFEU)<sup>18</sup> and entities

<sup>&</sup>lt;sup>14</sup> See Article 197(2)(c) EU Financial Regulation <u>2018/1046.</u>

<sup>&</sup>lt;sup>15</sup> In accordance with Article 187 FR, entities that satisfy the eligibility criteria and that do not fall within one of the situations referred to in Articles 136(1) and 141(1) FR and that have a link with the applicant, in particular a legal or capital link, which is neither limited to the action nor established for the sole purpose of its implementation, will be considered as entities affiliated to the applicant.

<sup>&</sup>lt;sup>16</sup> See Article 187.1 (a) EU Financial Regulation <u>2018/1046</u>

<sup>&</sup>lt;sup>17</sup> For the definitions, see Articles 187(2) and 197(2)(c) EU Financial Regulation <u>2018/1046</u>.

<sup>&</sup>lt;sup>18</sup> Please note that the EU Official Journal contains the official list and, in case of conflict, its content prevails over that of the <u>EU Sanctions Map</u>.

*covered by Commission Guidelines No <u>2013/C 205/05</u><sup>19</sup>). Such entities are not eligible to participate in any capacity, including as beneficiaries, affiliated entities, associated partners, third parties giving in-kind contributions (for free), subcontractors or recipients of financial support to third parties (if any).* 

#### Consortium composition

The following applications are allowed: Applications **by single applicants** (single beneficiaries; *affiliated entities and other participants are allowed, if needed*) <u>OR</u> proposals submitted **by a consortium**<sup>20</sup> of applicants (beneficiaries; *affiliated entities and other participants are allowed, if needed but affiliated entities do not count as separate applicants*).

#### Eligible activities

The following types of activities are eligible under this call for proposals:

- studies, analyses, mapping projects
- data collection and treatment costs
- creation and maintenance of websites/webpages and platforms
- awareness and dissemination actions
- coordination/personnel/technical costs and resources related to the points above
- financial support to third parties (see details in section 2)

#### Geographic location (target countries)

Proposals must relate to activities taking place in the eligible countries, i.e. EU member states.

**For Activity 2:** <u>initiatives located outside the European Union shall not be eligible for</u> <u>third-party support</u>. Applicants are invited to focus the funding scheme on existing or potential media deserts identified in the EU.

#### <u>Ethics</u>

Projects must comply with:

- highest ethical standards and
- applicable EU, international and national law.

<sup>&</sup>lt;sup>19</sup> Commission guidelines No <u>2013/C 205/05</u> 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).

<sup>&</sup>lt;sup>20</sup> The 'Solebeneficiary' is to be considered as an application submitted by a consortium, since the entities composing the 'sole beneficiary' will likely implement the action and therefore should also participate as either beneficiaries or affiliated entities, otherwise their costs will NOT be eligible. If the application is submitted by a "sole beneficiary" as defined by Article 187(2) of the EU financial Regulation, the members implementing the action as "affiliated entities" count for the minimum number of applicants if any.

### <u>Security</u>

No specific rules. Please refer to the general provisions in the MGA (Art. 13).

#### 7. Financial and operational capacity and exclusion

#### Financial capacity<sup>21</sup>

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

The financial capacity check will be carried out on the basis of the documents you will be requested to submit together with your application *e.g. profit and loss account and balance sheet, business plan, audit report produced by an approved external auditor, certifying the accounts for the last closed financial year, etc*). The analysis will be based on neutral financial indicators, but will also take into account other aspects, such as dependency on EU funding and deficit and revenue in previous years.

The check will normally be done for all beneficiaries, except:

- public bodies (entities established as public body under national law, including local, regional or national authorities) or international organisations
- if the individual requested grant amount is not more than EUR 60 000, except for single applicant or coordinator.

In the event of an application grouping several applicants (consortium), **the below thresholds apply to each applicant.** 

In the case of legal entities forming **one** applicant (the "sole applicant/beneficiary" or "sole beneficiary"), as specified in section 6, the below requirements apply to each one of those entities.

The financial capacity of a single applicant or the coordinator will always be assessed based on documents to be provided under point 7.b).

The individual applicants' financial capacity will be assessed based on the following supporting documents to be submitted with the application:

- a) Low value grants ( $\leq$  EUR 60 000):
  - a declaration on their honour<sup>22</sup>
- b) Grants > EUR 60 000:
  - a declaration on their honour<sup>23</sup>

AND

- the profit and loss account as well as the balance sheet for the last 2 (two) financial years for which the accounts were closed;
- for newly created entities: the business plan might replace the above documents;

<sup>&</sup>lt;sup>21</sup> See Articles 196(1) (c)(d) and 198(2), (4) and (5) of EU Financial Regulation 2018/1046

<sup>&</sup>lt;sup>22</sup> To be declared via the coordinator at proposal submission stage, and to be confirmed via the signed DoH at grant signature stage. Please refer to section 5.

<sup>&</sup>lt;sup>23</sup> See above footnote.

- the Financial Capacity check table provided for in Annex to the application form, filled in with the relevant statutory accounting figures mentioned above.
- c) Grants for an action > EUR 750 000:
  - (i) the information and supporting documents mentioned in point b) above, and
  - (ii) an audit report produced by an approved external auditor certifying the accounts for the last 2 (two) financial years available, where such an audit report is available or whenever a statutory report is required by law.

If the audit report is not available AND a statutory report is not required by law, a self-declaration signed by the applicant's authorised representative certifying the validity of its accounts for the last 2 (two) financial years available must be provided.

On the basis of an analysis of the documents submitted, if we consider that the <u>financial capacity of an applicant is **weak or insufficient** we may:</u>

- request further information;
- impose an enhanced financial responsibility regime, i.e. joint and several responsibility for all beneficiaries or joint and several liability of affiliated entities (see below, section 10);
- decide to give pre-financing paid in instalments;
- request (one or more) pre-financing guarantees (see below, section 10);
- propose no pre-financing or reduce the pre-financing;
- decide to reject the participation of the applicant in the proposal and request reallocation of the tasks to another applicant of the consortium or his replacement without compromising the quality of the proposal.

If the financial capacity of the consortium as a whole or of the coordinator or single or "sole applicant/beneficiary" is considered **insufficient**, the Authorised Representative Officer of the Commission may reject the application.

Operational capacity<sup>24</sup>

Applicants must have the **know-how**, **qualifications** and **resources** to successfully implement the projects and contribute their share (including sufficient experience in projects of comparable size and nature).

<u>This capacity will be assessed together with the 'Quality' award criterion</u>, on the basis of the competence and experience of the applicants and their project teams, including operational resources (human, technical and other) or, exceptionally, the measures proposed to obtain it by the time the task implementation starts.

If the evaluation of the award criterion is positive, the applicants are considered to have sufficient operational capacity.

Applicants will have to show their capacity via the following information, which is to be submitted together with the application:

<sup>&</sup>lt;sup>24</sup> See Article 198(3) and (6) of EU Financial Regulation 2018/1046

- general profiles (qualifications and experiences) of the staff responsible for managing and implementing the project
- description of the consortium participants or the applicant
- list of previous projects (key projects for the last 4 years).

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

In the event of an application grouping several applicants (consortium), the above requirements shall apply to the combined capacity of all members of the consortium. Combined capacity means that individually, each member of the consortium should comply with the criteria corresponding to its task in the project.

In the case of legal entities forming **one** applicant (the "sole applicant/beneficiary"), as specified in section 6.1, the above requirements apply to each one of those entities.

#### Exclusion

Applicants which are subject to an **EU exclusion decision** or in one of the following **exclusion situations** that bar them from receiving EU funding can NOT participate<sup>25</sup>:

- 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>26</sup> (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- committed fraud, corruption, links to a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- shown significant deficiencies in complying with main obligations under an EU procurement contract, grant agreement, prize, expert contract, or similar (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- guilty of irregularities within the meaning of Article 1(2) of EU Regulation <u>2988/95</u> (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)

<sup>&</sup>lt;sup>25</sup> See Articles 136 and 141 of EU Financial Regulation <u>2018/1046</u>.

<sup>&</sup>lt;sup>26</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.

 created under a different jurisdiction with the intent to circumvent fiscal, social or other legal obligations in the country of origin or created another entity with this purpose (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant).

Applicants will also be refused if it turns out that<sup>27</sup>:

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

#### 8. Evaluation and award procedure

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

An **evaluation committee** will assess all applications. Proposals will first be checked for formal requirements (admissibility, and eligibility, see sections 5 and 6). Proposals found admissible and eligible will be evaluated against the operational capacity and award criteria (see sections 7 and 9) and then ranked according to their scores.

For proposals with the same score a **priority order** will be determined according to the following approach:

- 1) The ex aequo proposals will be prioritised according to the scores they have been awarded for the award criterion 'Relevance'. When these scores are equal, priority will be based on their scores for the criterion 'Impact'. When these scores are equal, priority will be based on their scores for the criterion 'Quality'.
- 2) If this does not allow to determine the priority, a further prioritisation can be done by considering the overall project portfolio and the creation of positive synergies between projects, or other factors related to the objectives of the call. These factors will be documented in the panel report.

The verification of the financial capacity will be done only for the highest ranked proposals.

All proposals will be informed about the evaluation result (**evaluation result letter**). Successful proposals will be invited for grant preparation; the other ones will be put on the reserve list or rejected.

No commitment for funding — Invitation to grant preparation does NOT constitute a formal commitment for funding. We will still need to make various legal checks before grant award: *legal entity validation, 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

<sup>&</sup>lt;sup>27</sup> See Article 141 of EU Financial Regulation <u>2018/1046</u>.

include adjustments to the proposal to address recommendations of the evaluation committee or other concerns. Compliance will be a pre-condition for signing the grant.

If you believe that the evaluation procedure was flawed, you can submit a **complaint** (following the deadlines and procedures set out in the evaluation result letter).

#### 9. Award criteria

The **award criteria** for this call are as follows:

#### - Relevance (30 points):

- Background and geographical coverage: the relevance and rationale of the project and the contribution of its expected results to the objectives of the call; the geographical coverage of the proposed activities (both the mapping and the funding scheme) ; the complementarity with existing initiatives;
- **Needs analysis**: relevance of the proposal in view of meeting identified needs, with a special focus on the proposed funding scheme.

#### - Quality (30 points):

- Methodology: the effectiveness and rationale of the proposed methodology and organisation to carry out quality tasks and deliver quality deliverables; the feasibility of the project within the proposed time frame;
- Organisation of the work, project teams and experts: expertise and relevance of the project teams for both the mapping and the funding implementation; clarity of responsibilities, work packages and coordination arrangements;
- Project management, monitoring and risk assessment: quality, relevance and efficiency of the project management, the planning and the monitoring; quality of the risk management arrangements.

# – Impact (30 points):

- Impact on benefitting third parties: number of benefitting third parties; expected impact of the funding on the sustainability and resilience of the benefitting third parties, as well as on their capacity to serve communities;
- Longer-term impact on the media ecosystem: dissemination actions; expected use of the mapping by the applicant and other funding entities; expected wider impact of the project on the EU local, regional and community media ecosystems and existing/emerging media deserts.
- Cost-effectiveness of the proposal (10 points): effective and efficient use of financial resources in view of the objectives of the call, including the funding scheme.

Award criteria	Minimum pass score	Maximum score
Relevance	18	30
Quality	18	30
Impact	18	30
Cost-effectiveness	6	10
Overall (pass) scores	60	100

Maximum points: 100 points.

Individual thresholds per criterion: **60%**.

#### Overall threshold: **60 points**.

Proposals that pass the individual thresholds **AND** the overall threshold will be considered for funding — within the limits of the available call budget (i.e. up to the budget threshold). Other proposals will be rejected.

#### **10. Legal and financial set-up of the Grant Agreements**

If you pass evaluation, your project will be invited for grant preparation, where you will be asked to prepare the Grant Agreement together with the EU Project Officer.

This Grant Agreement will set the framework for your grant and its terms and conditions, in particular concerning deliverables, reporting and payments.

The Model Grant Agreement that will be used (and all other relevant templates and guidance documents) can be found on <u>https://digital-strategy.ec.europa.eu/en/news-redirect/746954</u>.

Starting date and project duration

The project starting date and duration will be fixed in the Grant Agreement (*Data Sheet, point 1*). Normally the starting date<sup>28</sup> will be after grant signature. Retroactive application can be granted exceptionally for duly justified reasons— but never earlier than the proposal submission date.

#### Milestones and deliverables

The milestones and deliverables for each project will be reflected in Annex 1 of the Grant Agreement.

The following deliverables will be mandatory for the project:

<sup>&</sup>lt;sup>28</sup> The project start date must normally be the first day of a month and later than the entry into force of the agreement. The Commission can decide on another date, if justified by the applicants. However, the starting date may not be earlier than the submission date of the grant application – except if provided for by the basic act or in cases of extreme urgency and conflict prevention (Article 193 EU Financial Regulation 2018/1046).

- An interim technical report (month 8) together with the financial statement
- The mapping (Activity 1).
- A final technical report, together with a description and evaluation report of the activities carried out by third parties and an analysis of the impact of the Pilot Project upon its completion

Form of grant, funding rate and maximum grant amount

The grant parameters (*maximum grant amount, funding rate, total eligible costs, etc*) will be fixed in the Grant Agreement (*Data Sheet, point 3 and art 5*).

The grant will be a budget-based–mixed actual cost grant (actual costs, with unit cost<sup>29</sup> and flat-rate elements). This means that it will reimburse ONLY certain types of costs (eligible costs) and costs that were *actually* incurred for your project (NOT the *budgeted* costs). For unit costs and flat-rates, you can charge the amounts calculated as explained in the Grant Agreement (*see art 6 and Annex 2 and 2a*).

The costs will be reimbursed at the funding rate fixed in the Grant Agreement (maximum **90%**).

Subcontracting costs<sup>30</sup> should not represent more than **10%** of the total eligible costs of the action. Activity 1 (mapping) being a core task of this Pilot Project, it cannot be subcontracted.

Financial support to third party should represent **between 50% and 85%** of the total eligible costs of the action. Applicants are reminded that financial support to third parties is considered essential to achieve the objectives of this Call for proposals and must be reflected appropriately in the budget distribution.

Grants may NOT produce a profit<sup>31</sup> (i.e. surplus of revenues + EU grant over costs). For-profit organisations must declare their revenues and, if there is a profit, we will deduct it from the final grant amount (see art 22.3).

Moreover, please be aware that the final grant amount may be reduced in case of non-compliance with the Grant Agreement (*e.g. improper implementation, breach of obligations, etc*).

Budget categories and cost eligibility rules

The budget categories and cost eligibility rules are fixed in the Grant Agreement (Data Sheet, point 3, art 6 and Annex 2).

Budget categories for this call:

<sup>29</sup> This applies <u>only</u> to category A.4 of the Estimated budget, which is SME owners.

<sup>30</sup> Subcontracting concerns the implementation of 'Action tasks', i.e. parts of the project that have been outsourced. Subcontracting is different from purchases (such as travel, equipment and goods and services) which are eligible costs as per the subsection "Budget categories and cost eligibility rules".

<sup>31</sup> This is a standard obligation for all EU grants. It may be unselected only under the following condition of Article 192(3) EU Financial Regulation 2018/1046):

- actions implemented only by non-profit organisations (i.e. all beneficiaries and affiliated entities are non-profit organisations)

- A. Personnel costs
  - A.1 Employees,
  - A.2 Natural persons under direct contract,
  - A.3 Seconded persons
  - A.4 SME owners and natural person beneficiaries
- B. Subcontracting costs
- C. Purchase costs
  - C.1 Travel and subsistence
  - C.2 Equipment
  - C.3 Other goods, works and services
- D. Other cost categories
  - D.1 Financial support to third parties
- E. Indirect costs

Specific cost eligibility conditions for this call:

- personnel costs:
  - SME owner/natural person unit cost<sup>32</sup> : Yes
- subcontracting costs:
  - additional subcontracting rules: Yes
    - $\leftrightarrow$  subcontracting may not cover core tasks of the action
    - earrow limited to **10%** of the total eligible costs of the action
- travel and subsistence unit cost<sup>33</sup>: No (only actual costs)
- equipment costs: depreciation
- other cost categories:
  - costs for financial support to third parties: allowed for grants and prizes; maximum amount per third party **EUR 60 000** unless a higher amount is required<sup>34</sup> because the objective of the action would otherwise be impossible or overly difficult to achieve and this is duly justified in the Application Form.
- indirect cost flat-rate: **7%** of the eligible direct costs (categories A-D).

<sup>&</sup>lt;sup>32</sup> Commission <u>Decision</u> of 20 October 2020 authorising the use of unit costs for the personnel costs of the owners of small and medium-sized enterprises and beneficiaries that are natural persons not receiving a salary for the work carried out by themselves under an action or work programme (C(2020)7715).

<sup>&</sup>lt;sup>33</sup> Commission <u>Decision</u> of 12 January 2021 authorising the use of unit costs for travel, accommodation and subsistence costs under an action or work programme under the 2021-2027 multi-annual financial framework (C(2021)35).

<sup>&</sup>lt;sup>34</sup> Only for types of actions were the recipient and funded projects are very diverse. Choose a realistic amount that will work for most projects; the exception should be exceptional and explicitly agreed with the granting authority (justified in the application form).

Applicants' attention is drawn to the fact that if they are receiving an operating grant financed by the EU or Euratom budget, they may not declare indirect costs for the period(s) covered by the operating grant, unless they can demonstrate that the operating grant does not cover any costs of the action. If you intend to also apply for action grants while receiving an operating grant, please make sure that you either have the accounting tools in place to combine them (or that the operating grants pays off — meaning that it covers enough of your general running costs and overheads to compensate the loss of the indirect costs in the action grants).

- VAT: non-deductible VAT is eligible (but please note that since 2013 VAT paid by beneficiaries that are public bodies acting as public authority is NOT eligible)
- other:
  - in-kind contributions for free are allowed, but cost-neutral, i.e. they cannot be declared as cost
  - kick off meeting: costs for kick-off meeting organised by the granting authority are eligible (travel costs for maximum 2 persons, return ticket to Brussels and accommodation for one night) only if the meeting takes place after the project starting date set out in the Grant Agreement; the starting date can be changed through an amendment, if needed
  - project websites: communication costs for presenting the project on the participants' websites or social media accounts are eligible (costs for presenting the mapping are also eligible); costs for *separate* project websites are not eligible
  - other ineligible costs: NO

Reporting and payment arrangements

The reporting and payment arrangements are fixed in the Grant Agreement (Data Sheet, point 4 and art 21 and 22).

After grant signature, you will normally receive a **pre-financing** to start working on the project (between **60% and 75%** of the maximum grant amount; exceptionally less or no pre-financing). The pre-financing will be paid 30 days from entry into force/starting date/financial guarantee (if required) — whichever is the latest.

There will be one **interim payment** (with detailed cost reporting). Pre-financing and interim payment may not exceed **90%** of the maximum grant amount.

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

All payments will be made to the coordinator.

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

Please also note that you are responsible for keeping records on all the work done and the costs/units declared. The Grant Agreement contains additional record-keeping rules (*Data Sheet, point 6 and art 20*).

### Pre-financing guarantees

If a pre-financing guarantee is required, it will be fixed in the Grant Agreement (*Data Sheet, point 4*). The amount will be set during grant preparation and it will normally be equal or lower than the pre-financing for your grant.

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

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

Pre-financing guarantees are formally NOT linked to individual consortium members, which means that you are free to organise how to provide the guarantee amount (by one or several beneficiaries, for the overall amount or several guarantees for partial amounts, by the beneficiary concerned or by another beneficiary, etc). It is however important that the requested amount is covered and that the guarantee(s) are sent to us in time to make the pre-financing (scanned copy via e-Mail AND original by post).

If agreed with us, the bank guarantee may be replaced by a guarantee from a third party.

The guarantee will be released at the end of the grant, in accordance with the conditions laid down in the Grant Agreement.

#### <u>Certificates</u>

Depending on the type of action, size of grant amount and type of beneficiaries, you may be requested to submit different certificates<sup>35</sup>. The types, schedules and thresholds for each certificate are fixed in the Grant Agreement (*Data Sheet, point 4 and art 24*).

Liability regime for recoveries

The liability regime for recoveries will be fixed in the Grant Agreement (*Data Sheet point 4.4 and art 22*).

For beneficiaries, it is one of the following:

- limited joint and several liability with individual ceilings each beneficiary up to their 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 their own debts.

In addition, the granting authority may require joint and several liability of affiliated entities (with their beneficiary).

Provisions concerning the project implementation

Security rules: *see Model Grant Agreement (art 13 and Annex 5)* 

<sup>&</sup>lt;sup>35</sup> See Article 203.4 EU Financial Regulation 2018/1046

Ethics rules: *see Model Grant Agreement (art 14 and Annex 5)* 

IPR rules: see Model Grant Agreement (art 16 and Annex 5)

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

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

Other specificities

n/a

Non-compliance and breach of contract

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

• For more information, see <u>AGA – Annotated Grant Agreement</u>.

#### **11.** How to submit an application

All proposals must be submitted by the deadline set out under section 4.

No modification to the application is allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or to correct clerical mistakes, the Commission may contact the applicant during the evaluation process<sup>36</sup>.

Applicants will be informed in writing about the results of the selection process.<sup>37</sup>

The mandatory Grant Application Form and other mandatory template documents to be completed are available at <u>https://digital-strategy.ec.europa.eu/en/news-redirect/746954</u>.

Applications **must** be submitted in the correct form, duly completed and dated. The following application documents : **GAF part A and B and the Estimated Budget table** must be submitted in **one original paper copy** (no additional paper copies required) signed<sup>38</sup> by the person authorised to enter into legally binding commitments on behalf of the applicant organisation.

An electronic version of the Application Form Part A, part B, Estimated Budget and all other annexes and documents must be provided on a USB stick together with the original signed paper copy requested. The electronic version (pdf) of the Grant Application Form Part A and B must not be a scan of the paper version but must be searchable.

Where applicable, additional information considered necessary by the applicant may be included as an annex (brochures, etc.), but assessment will be based on

<sup>&</sup>lt;sup>36</sup> Articles 151 and 200(3) EU Financial Regulation 2018/1046

<sup>&</sup>lt;sup>37</sup> Article 200 EU Financial Regulation 2018/1046

<sup>&</sup>lt;sup>38</sup> Blue ink" handwritten signature or "Qualified Electronic Signature (QES) within the meaningof Regulation (EU) No 910/2014 (eIDAS Regulation).

information included in the application form (therefore please limit the number and size of additional documents and attachments).

Please structure the information on the USB key by type of documents and applicants as follows :

-1-GAF-Grant Application Form -Part A

-2-GAF-Grant Application Form -Part B

-3-Estimated Budget

-4-LEF-Legal Entity Form + supporting documents (all applicants with one subfolder per applicant)

-5-BAF-Bank Account Form + supporting documents (coordinator only)

-6-Financial capacity\_(when relevant) including Financial Capacity excel + 2 years annual accounts (Balance sheet and Profit & Loss) with one subfolder per applicant/entity composing the "sole applicant/beneficiary"

-7-Declaration(s) on Standards and independence (all applicants)

-8-Other documents (CVs, annual activity reports ...) with one subfolder per applicant when relevant

Folders and documents title should clearly refer to its content and name of related applicant

Applications **must** be sent to the following address:

# *European Commission Directorate-General for Communications Networks, Content & Technology (DG CNECT)*

Unit CNECT.I.3 – Audiovisual Industry and Media Support Programmes For the attention of the Head of Unit (BRU-L51) Reference: Call CNECT/2022/4365314 – Local and regional media

- B-1049 BRUSSELS
- Belgium
  - by post<sup>39</sup> (evidence will be constituted by the postmark), or
  - **by courier service** (evidence will be constituted by date of deposit slip), or
  - by hand-delivery. It is compulsory for security reasons to address it to the central mail department of the Commission as follows:

# European Commission Directorate-General for Communications Networks, Content & Technology Unit CNECT.I.3 –Audiovisual Industry and Media Support Programmes Reference: Call CNECT/2022/4365314 – Local and regional media **Avenue du Bourget, 1 B-1140 BRUSSELS (Evere**), **Belgium**

<sup>&</sup>lt;sup>39</sup> Applicants are advised to keep the payment receipt with date and time from the post office in order to be able to prove that the proposal has been sent within the deadline

In this case, proof of submission of the proposal will take the form of a receipt signed and dated by the official of the Commission's central mail department who takes delivery of the documents. The department is open from 08.00 to 17.00 on Mondays to Thursdays and from 08.00 to 16.00 on Fridays. It is closed on Saturdays, Sundays and Commission holidays.

#### **In addition** to the above:

applicants **must** send an <u>e-mail</u> before the deadline set out under section 3 to the following email address: CNECT-NEWSMEDIA@ec.europa.eu <u>to inform us about</u> <u>your submission on paper.</u>

Applications sent only by E-mail will not be accepted.

The proposal must keep to the **page limits** (see section 5)

#### 12. Help

As far as possible, *please try to find the answers you need yourself*, in this and the other documentation (we have limited resources for handling direct enquiries):

- FAQs on the Call page (for call-specific questions in open calls).

Please also consult the Call page regularly, since we might use it to publish addendums to the call documents, if needed (e.g. extension of call deadline, or other).

#### <u>Contact</u>

Questions and requests for clarifications should be sent to the following email address: <u>CNECT-NEWSMEDIA@ec.europa.eu</u>.

Please indicate clearly the reference of the call to which your question relates (see cover page- Call CNECT/2022/4365314 – Local and regional media).

The Commission is not bound to reply to requests for additional information received less than six working days before the deadline for submitting applications set in section 3.

The answers will also be published in the FAQs section on: <u>https://digital-strategy.ec.europa.eu/en/news-redirect/746954</u>.

**Mandatory annexes and supporting documents** (to be submitted together with the application on specific support ):

#### • Paper and USB stick

- Grant application form Part A and Part B
- Estimated Budget of the action (annex 2 to MGA)
- USB stick only
  - Legal entity form and supporting documents (for all applicants) (in pdf scans)

- Bank account form and supporting documents (only for the coordinator) (in pdf scans)
- Financial Capacity Check table and BS and P&L supporting documents (please refer to section 7) (Financial capacity check table: original excel file. Supporting documents: pdf)
- Declaration(s) on Standards and Independence (all applicants) (in pdf)
- CVs (standard) of core project team (please refer to section 7) (in pdf)
- other annexes

**Other documents** (for information of the applicants and/or to be submitted at a later stage in the procedure):

- Model Declaration of honour (DoH applicant and affiliated entities)
- Model grant agreement and its annexes 2a and 5

(e-signed) Ingrid Mariën-Dusak Authorising Officer by sub-delegation Directorate I

# 13. Important

### 🦺 IMPORTANT

• **Consortium roles** — When setting up your consortium, you should think of organisations that help you reach objectives and solve problems.

The roles should be attributed according to the level of participation in the project. Main participants should participate as **beneficiaries** or **affiliated entities**; other entities can participate as associated partners, subcontractors, third parties giving in-kind contributions. **Associated partners** and third parties giving in-kind contributions should bear their own costs (they will not become formal recipients of EU funding). **Subcontracting** should normally constitute a limited part and must be performed by third parties (not by one of the beneficiaries/affiliated entities).

- **Coordinator** In multi-beneficiary grants, the beneficiaries participate as consortium (group of beneficiaries). They will have to choose a coordinator, who will take care of the project management and coordination and will represent the consortium towards the granting authority. In mono-beneficiary grants, the single beneficiary will automatically be coordinator.
- Affiliated entities Applicants may participate with affiliated entities (i.e. entities linked to a beneficiary which participate in the action with similar rights and obligations as the beneficiaries, but do not sign the grant and therefore do not become beneficiaries themselves). They will get a part of the grant money and must therefore comply with all the call conditions (just like beneficiaries); but they do not count towards the minimum eligibility criteria for consortium composition (if any). Entities that satisfy the eligibility criteria and that do not fall within one of the situations referred to in Articles 136(1) and 141(1) FR and that have a link with the applicant, in particular a legal or capital link, which is neither limited to the action nor established for the sole purpose of its implementation, will be considered as entities affiliated to the applicant (See Article 187.1 (b) EU Financial Regulation 2018/1046).
- Sole beneficiaries Associations and interest groupings (EEIG): Entities composed of members may participate as 'sole beneficiary' (see Article 187.1 (a) EU Financial Regulation 2018/1046). Please note that if the action will be implemented by the members, they should also participate (either as beneficiaries or as affiliated entities (if foreseen in the call), otherwise their costs will NOT be eligible). A "sole" beneficiary is a legal entity, whether established specifically or not for the action, and which is:
  - formed of several legal entities complying with the eligibility, nonexclusion and selection criteria set out in this call for proposals, and implementing together the proposed action;
  - and whose participating members are identified in the grant application (Part A and B)
- **Associated partners** Applicants may participate with associated partners (i.e. partner organisations which participate in the action but without the right to get grant money). They may implement action tasks but in contrast to affiliated entities they do not need to have a capital or legal link to a beneficiary and cost incurred by Associated Partners can NOT be declared as eligible cost. In contrast to third parties giving in-kind contributions, the associated partners are fully named in the grant agreement and may implement important tasks by themselves. Entities that do not request funding or are not eligible for funding may participate in an action as Associated Partners, for example out of interest in contributing to the objectives of the action, gaining visibility, or participating due to ongoing (scientific) cooperation with a beneficiary. As with any other participant that does not sign the grant agreement) that Associated Partners implement their assigned action tasks in accordance with the grant agreement. The tasks must be set out in Annex 1.

- **Consortium agreement** For practical and legal reasons it is recommended to set up internal arrangements that allow you to deal with exceptional or unforeseen circumstances (in all cases, even if not mandatory under the Grant Agreement). The consortium agreement also gives you the possibility to redistribute the grant money according to your own consortium-internal principles and parameters (for instance, one beneficiary can reattribute its grant money to another beneficiary). The consortium agreement thus allows you to customise the EU grant to the needs inside your consortium and can also help to protect you in case of disputes.
- **Balanced project budget** Grant applications must ensure a balanced project budget and sufficient other resources to implement the project successfully (*e.g.* own contributions, income generated by the action, financial contributions from third parties, etc). You may be requested to lower your estimated costs, if they are ineligible (including excessive).
- **No-profit rule** By default, grants may NOT give a profit (i.e. surplus of revenues + EU grant over costs). This will be checked by us at the end of the project. An exception to this rule is foreseen in Article 192(3) EU Financial Regulation 2018/1046).
- **No double funding** There is a strict prohibition of double funding from the EU budget (except under EU Synergies actions). Outside such Synergies actions, any given action may receive only ONE grant from the EU budget and cost items may under NO circumstances declared to two different EU actions.
- **Completed/ongoing projects** Proposals for projects that have already been completed will be rejected; proposals for projects that have already started will be assessed on a case-by-case basis only where the applicant can demonstrate in the grant application the need to start the action before the grant agreement is signed (in this case, no costs can be reimbursed for activities that took place before the proposal submission).
- Combination with EU operating grants Combination with EU operating grants is possible, if the project remains outside the operating grant work programme and you make sure that cost items are clearly separated in your accounting and NOT declared twice (see <u>AGA</u> <u>Annotated Model Grant Agreement</u>, <u>art 6.2.E</u>). In order to demonstrate that the operating grant does not cover any costs of the action, the beneficiary should:
  - a. use analytical cost accounting that allows to separate all costs (including overheads) attributable to the operating grant and the action grant. For that purpose the beneficiary should use reliable accounting codes and allocation keys ensuring that the allocation of the costs is done in a fair, objective and realistic way.
  - b. record separately:
    - all costs incurred for the operating grants (i.e. personnel, general running costs and other operating costs linked to the part of its usual annual activities), and
    - all costs incurred for the action grants (including the actual indirect costs linked to the action)

If the operating grant covers the entire usual annual activity and budget of the beneficiary, the latter is not entitled to receive any indirect costs under the action grant.

• **Multiple proposals** — Applicants may submit more than one proposal for *different* projects under the same call (and be awarded a funding for them).

Organisations may participate in several proposals.

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

- Resubmission Proposals may be changed and re-submitted until the deadline for submission. In this case, please clearly indicate that the re-submitted proposal is the one to be evaluated.
- **Rejection** By submitting the application, all applicants accept the call conditions set out in this this Call Document (and the documents it refers to). Proposals that do not comply with all the call conditions will be **rejected**. This applies also to applicants: All applicants need to fulfil the criteria; if any one of them doesn't, they must be replaced or the entire proposal will be rejected.
- **Cancellation** There may be circumstances which may require the cancellation of the call. In this case, you will be informed. Please note that cancellations are without entitlement to compensation.
- **Language** You can submit your proposal in any official EU language (project abstract/summary should however always be in English). For reasons of efficiency, we strongly advise you to use English for the entire application. If you need the call documentation in another official EU language, please submit a request within 10 days after call publication (for the contact information, *see section 12*).
- **Transparency** In accordance with Article 38 of the <u>EU Financial Regulation</u>, information about EU grants awarded is published each year on the <u>Europa website</u>.

This includes:

- beneficiary names
- beneficiary addresses
- the purpose for which the grant was awarded
- the maximum amount awarded.

The publication can exceptionally be waived (on reasoned and duly substantiated request), if there is a risk that the disclosure could jeopardise your rights and freedoms under the EU Charter of Fundamental Rights or harm your commercial interests.

• **Data protection** — The submission of a proposal under this call involves the collection, use and processing of personal data. This data will be processed in accordance with the applicable legal framework. It will be processed solely for the purpose of evaluating your proposal, subsequent management of your grant and, if needed, programme monitoring, evaluation and communication. Details are explained in the <u>Funding & Tenders Portal Privacy Statement</u>.