



Single Market Programme (SMP COSME)

Call for proposals

Boosting SMEs' and stakeholders' capacities to participate in construction and renovation projects through the Affordable Housing Initiative European Partnership

(SMP-COSME-2023-HOUS)

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CALL FOR PROPOSALS

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0. Introduction

This is a call for proposals for EU **action grants** in the field of social and affordable housing under the Competitiveness of Enterprises and SMEs strand of the **Single Market Programme (SMP COSME)**.

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

- Regulation 2018/1046 ([EU Financial Regulation](#))
- the basic act (SMP Regulation [2021/690](#)¹).

The call is launched in accordance with the 2023 SMP Work Programme² and will be managed by the **European Innovation Council and SMEs Executive Agency (EISMEA)** ('Agency').

The call covers the following **topic**:

- **SMP-COSME-2023-HOUS-01 — Boosting SMEs’ and stakeholders’ capacities to participate in construction and renovation projects through the Affordable Housing Initiative European Partnership**

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

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

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

¹ Regulation (EU) 2021/690 of the European Parliament and of the Council of 28 April 2021 establishing a programme for the internal market, competitiveness of enterprises, including small and medium-sized enterprises, the area of plants, animals, food and feed, and European statistics (Single Market Programme) (OJ L 153, 3.5.2021, p. 1).

² Commission Implementing Decision C(2023) 5702 final of 25.08.2023 amending Commission Implementing Decision C(2023)1119 as regards the implementation of actions under the Single Market Programme.

- award criteria (section 9)
- legal and financial set-up of the Grant Agreements (section 10)
- how to submit an application (section 11)
- the [Online Manual](#) outlines the:
 - procedures to register and submit proposals online via the EU Funding & Tenders Portal ('Portal')
 - recommendations for the preparation of the application
- the [AGA — Annotated Grant Agreement](#) contains:
 - detailed annotations on all the provisions in the Grant Agreement you will have to sign in order to obtain the grant (*including cost eligibility, payment schedule, accessory obligations, etc*).

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

1. Background

Policy background

The [EU Green Deal](#) was unveiled in December 2019 as the new growth strategy to transform the EU into a modern, resource-efficient, digital and competitive economy. This strategy aims to make Europe the first climate neutral continent with the objective to reach zero net emissions of greenhouse gas by 2050. This, in addition to ensure biodiversity protection and move from a linear to a circular economy. Besides, the EU Green Deal sheds light on the need to promote and invest in digital tools and puts a particular emphasis on the social aspects enshrined twin transition. It calls to leave no one and no place behind on the journey, considering the risk that such transition results in an increase of social inequalities in many regards.

In October 2020, the European Commission released its [Renovation Wave](#), shedding light on the fact that a refurbished and improved building stock in the EU will help pave the way for a decarbonised and clean energy system, as buildings consume around 40% of energy in the EU and are responsible for 36% of EU greenhouse gas emissions.³ The strategy also highlights that only 1% of buildings undergo energy efficient renovation every year, pointing out that roughly 75% of the building stock is energy inefficient, yet almost 85-95% of today's buildings will still be in use in 2050. The Renovation Wave aims to at least double the renovation rate in the EU by breaking down long-standing barriers to energy and resource-efficient renovation, supporting fresh investment over a sustained period starting from public and less efficient buildings, spurring digitalisation and creating employment and growth in construction value chains. From a social perspective, the strategy shed light on the fact that in 2020, around 34 million EU citizens were facing energy poverty⁴ while each year, 800 000 social homes required renovation, 450 000 new social homes are needed. This, as the annual investment gap in social and affordable housing was estimated at € 57 billion.

³ These figures refer to the use and operation of buildings, including indirect emissions in the power and heat sector, not their full life cycle. The embodied carbon in construction is estimated to account for about 10% of total yearly greenhouse gas emissions worldwide.

⁴ In 2022, approximately 42 million people across Europe – 9.3% of EU citizens – were facing energy poverty due to the ongoing energy and cost-of living crisis caused by the invasion of Ukraine and coupled with the economic aftermaths of COVID-19 pandemic: [Eurostat, June 2023](#)

In this context, the [Affordable Housing Initiative](#) was announced in the Renovation Wave as follows: “In order to guarantee that local social housing projects have access to all necessary technical capacity, the Commission will launch the Affordable Housing Initiative in 2021. It will pilot 100 lighthouse renovation districts in a smart neighbourhood approach and provide blueprints for replication, setting liveability and latest innovations at the forefront. It will mobilise cross-sectoral project partnerships linking them to local actors, including from the social economy, to promote efficient, circular and modular processes, social engagement models to empower residents, inclusive and accessible developments and cultural innovation.”

The Affordable Housing Initiative became a flagship of the [New European Bauhaus](#). This creative and interdisciplinary initiative, also launched in October 2021, aims to connect the Green Deal to EU citizen's living spaces and experiences by focusing on three pillars (i.e. sustainability, inclusion, aesthetics). Projects supported by the Affordable Housing Initiative are in that sense part of the New European Bauhaus 'Community'.

[Other relevant policy areas and initiatives](#)

In May 2021, the European Commission [updated](#) its Industrial Strategy to support the transformation to a more sustainable, digital, resilient and globally competitive economy. This, notably in the context of recovery from the COVID-19 crisis. To reach that objective, the European Commission is building on an ecosystem-based approach identifying 14 ecosystems, including construction as well as proximity and social economy. The new updated strategy calls for the co-creation of transition pathway involving stakeholders to better understand the specificities, needs and required actions in each ecosystem to deliver on the twin transition.

The EU also mobilised an ambitious recovery plan to emerge stronger from the pandemic and transform our economies, backed with a reinforced EU budget for the period 2021-2027⁵. In June 2021, the Commission launched the [NextGenerationEU](#) Recovery plan for Europe to invest EUR 806,9 billion⁶. The [Recovery and Resilience Facility](#) is a performance-based instrument, at the core of NextGenerationEU. It enables to raise funds by borrowing on the capital markets and issuing bonds on behalf of the EU. Loans and grants deployed by the Facility aim to support the reforms and investments earmarked by the Member States across different policy areas in their national Recovery and Resilience Plans.⁷

As foreseen by the EU Green Deal, further relevant policy initiatives have been put forward. In July 2021, the European Commission released the [Fit for 55 Package](#) encompassing legislative initiatives on climate, energy, building and transport aiming at reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels. In this context, developments on the [Energy Performance of Buildings Directive](#)⁸ and the [Energy Efficiency Directive](#)⁹ are of particular importance for this call (e.g. considering the set-up of minimum energy performance standards (MEPS), the introduction of a new “energy poverty” definition or the Member States' obligation to renovate a share of buildings owned by public bodies, including public housing in certain conditions). Besides, as part of the [revision of the EU emissions trading system \(EU ETS\)](#) the Commission is proposing to extend emissions trading to the building and road transport sectors. To address any social impacts that arise from this new system, the Commission proposes to introduce the Social Climate Fund, which will come into force in 2026. Finally, in the framework of the Package, the

⁵ See [Recovery plan for Europe \(europa.eu\)](#)

⁶ This figure is in current prices. It amounts to €750 billion in 2018 prices.

⁷ [Recovery and Resilience Scoreboard \(europa.eu\)](#)

⁸ The Parliament and the Council are currently in interinstitutional negotiations. On 14 March 2023, MEPs [adopted](#) their position on the Energy Performance of Buildings Directive.

⁹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AJOL_2023_231_R_0001&qid=1695186598766

Commission put forward a proposal to revise the Renewable Energy Directive ([Directive EU/2018/2001](#))¹⁰.

In December 2021, the Commission presented its [Council Recommendation on ensuring a fair transition towards climate neutrality](#) which provides guidance to Member States on social and employment aspects to ensure a fair green transition. It stresses the importance of social economy enterprises in circular value retention activities and encourages Member States to stimulate job creation and promote entrepreneurship, including social enterprises, particularly in regions facing transition challenges. The Recommendations put particular emphasis on upskilling and reskilling of workforce in specific sectors such as construction by pointing out that while 160,000 additional construction jobs could be created in the EU by 2030 through the climate transition, currently skills gaps are visible in occupations related to green design, technologies and materials in this sector. The document also stresses the need to alleviate energy poverty and calls for energy efficiency improvements measures, including public and private investments in dwellings to stimulate renovations, notably in the social housing sector. On this, the Recommendations highlight the importance of providing advisory to micro, small and medium-sized enterprises while setting-up incentives for households in vulnerable situations such as individual renewable energy arrangements or energy communities. Finally, the document also refers to the main non-economic barriers to renovation such as split incentives, including owner-tenant settings, and co-ownership structures.

In March 2022, the European Commission presented its [Circular Economy Package](#) to make sustainable products the norm in the EU by notably revising the Ecodesign Directive and the Construction Products Regulation. It is worth to point out that the actual substitution of primary material by re-use and recycling remains low. If current practices in the EU 27 continue in a business-as-usual scenario, the renovation of buildings alone would consume 918 million tonnes of virgin materials from 2022-2050.¹¹

In May 2022, the [REPowerEU](#) plan was released as EU's response to the hardships and global energy market disruption caused by Russia's invasion of Ukraine. The Communication sets out a series of measures to rapidly reduce dependence on Russian fossil fuels and fast forward the green transition, notably by allowing consumers to participate in energy markets, individually or via energy communities or collective self-consumption schemes.

Referring to the aforementioned updated industrial strategy, the transition pathways of the proximity & social economy and construction ecosystems are of particular relevance for this call, notably considering that the vast majority of entities in these ecosystems are micro-enterprises. In November 2022, the proximity and social economy transition pathway was [launched](#). It notably sheds light on the importance to invest, develop and ensure the green transition of social infrastructure, especially in the field of social and affordable housing. It also points out the need to develop public-private partnerships and to support local businesses, cooperatives and social enterprises in that regard. In March 2023, the transition pathway for construction was [published](#), highlighting the role of this ecosystem in providing affordable and qualitative housing for all. Among others, it calls on the reduction of administrative burden and support to local construction SMEs to engage in public-private partnerships, specifically focusing on affordable, adequate, and accessible housing and infrastructure projects.

¹⁰ In September 2023, the revision of the Directive was adopted by the MEPs to raise the share of renewables in the EU's final energy consumption to 42.5% by 2030.

¹¹ [Modelling the Renovation of Buildings in Europe from a Circular Economy and Climate Perspective](#), European Environment Agency.

2023 has been chosen to be the 'European Year of Skills'¹² to give a fresh impetus to lifelong learning, address skills shortage, empower people and companies -especially SMEs- to contribute to a fair green and digital transitions while supporting innovation and competitiveness.

In the framework of the European Skills agenda¹³, [Industrial ecosystems Partnerships](#) (e.g. Partnership for proximity & social economy ecosystem, Partnership for construction ecosystem, Partnership for renewable energy ecosystem, Partnership for long term care) have been launched under the Pact for Skills¹⁴ to bring together and support all relevant entities on upskilling and reskilling needs. [Blueprints on sectoral cooperation on skills](#) are also being developed in that framework to address sector skills mismatches. In that regard, the Skills Blueprint for the Construction Industry¹⁵ as well as the Blueprint for Sectoral Cooperation on Skills in Work Integration Social Enterprise¹⁶, the Blueprint for Advanced Skills & Trainings in the Social Economy¹⁷ and the European Social Innovation Campus (ESIC) are relevant avenues to explore synergies between social economy and construction.

Further details on the background of the Affordable Housing Initiative and related EU policies (e.g. the European Pillar of Social Rights and principle 19 "Housing and assistance for the homeless", Cohesion Policy, Resilience and Recovery Funds, Just Transition Mechanism, Housing Partnership of the Urban Agenda) can be retrieved on DG GROW [webpage](#) of the Affordable Housing Initiative and in the call document of [SMP-COSME-2021-HOUS](#), upon which this call for proposals is building to deliver on the objective of the Affordable Housing Initiative.

Single Market Programme

In line with the European Commission's [priorities](#) for 2019-24, the actions proposed under the SME pillar of the Single Market Programme (SMP) for 2023 continue to focus on implementing the SME strategy in the context of industrial ecosystems and the SME components of the updated Industrial Strategy, with strong emphasis on supporting SMEs' recovery and the green and digital transition while helping them achieve success in an increasingly competitive and fast moving environment. This, in view of delivering on the SME pillar objectives as follows: facilitating access to markets, fostering entrepreneurship and the acquisition of entrepreneurial skills, promoting the modernisation of industry and addressing global and societal challenges. This notably considering the cross-cutting impacts of COVID-19 pandemic and the Russian invasion of Ukraine.

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

SMP-COSME-2023-HOUS-01 — Boosting SMEs' and stakeholders' capacities to participate in construction and renovation projects through the Affordable Housing Initiative European Partnership Objectives

Objectives

This call for proposals aims at fostering regeneration of neighbourhoods across Europe, addressing energy poverty, promoting social inclusion and ensuring that

¹² [European Year of Skills 2023 \(europa.eu\)](#)

¹³ [European Skills Agenda - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

¹⁴ [Homepage of Pact for skills \(europa.eu\)](#)

¹⁵ <https://constructionblueprint.eu>

¹⁶ [Project | B-WISE \(bwiseproject.eu\)](#)

¹⁷ [baSE – Blueprint for advanced skills and trainings in the social economy\)](#)

European Bauhaus, and exploit the full potential of publicly available technical modules and capacity building materials developed by the 'European Affordable Housing Consortium'²⁰ (e.g. blueprints, mentoring programme, handbooks, recording of trainings) in the launching phase of the Affordable Housing Initiative.

Support activities of the AHI partnership are divided **in two categories**: On the one hand activities linked to **tailored support** provided to the (minimum) 35 selected LIPs working towards the implementation of a lighthouse district. On the other hand, activities linked to **general support** available to any interested organisation engaging in social and affordable housing renovation and construction projects aiming towards neighbourhood regeneration.

Themes and priorities (scope)

For the purpose of this call and in the framework of the Affordable Housing Initiative, the following **terminology** applies:

Social and affordable housing is conceived as the general scope of the projects supported by the initiative. It should be stressed that housing systems and markets, including social housing, are very diverse across EU Member States and that no EU definition of 'social housing' nor 'affordable housing' exists. In principle, affordability is relative to all residential housing units which are sold or rented below the market price²¹, while social housing is specific to housing accessible to those least able to access and fund themselves. In this context, the definition of 'affordable social housing' used in [InvestEU Regulation 2021](#) is relevant for this call for proposals as "to be understood as aimed at disadvantaged persons or socially less advantaged groups, who due to solvency constraints live in severe housing deprivation or are unable to obtain housing at market conditions".

Energy renovation and energy efficient construction projects²² focusing mainly on social and affordable housing at district level are the main targets to be supported by the AHI partnership. This call for proposals aims to support projects aiming towards nearly-zero emissions buildings²³ in a way that maximum energy efficiency should be targeted, while incorporating other important aspects and features in an integrated approach (see below)²⁴. Such approach is to be seen as complementary to energy improvement following a renovation project or energy performance of newly built housing units.

Integrated approach²⁵ requires that the project incorporates several aspects among the four following features²⁶:

- **Adapted technologies and technical innovation:** use of digital tools, assistive technologies, online platforms, basic domotics, adaptive reuse of buildings, deconstruction and components reuse, circular and modular

²⁰ The European Affordable Housing Consortium is a Single Market Programme project supported by the call SMP-COSME-2021-HOUS-01: [Home - European Affordable Housing Consortium, SHAPE-EU \(shape-affordablehousing.eu\)](#)

²¹ Further reading on the concept of affordable housing and diverse interpretations at Member States level is as follows: "Interpreting the term 'affordable housing' in the Housing Partnership", Dr. Orna Rosenfeld, 2017.

²² At conceptual, planning/financing or implementation stage.

²³ With no differentiation between new or renovated buildings: See recital 31 of [Analysis of the final compromise text with a view to agreement of Energy Efficiency Directive recast](#).

²⁴ As per the "other aspects" developed in recital 33 of [Amendments adopted by the European Parliament on 14 March 2023 on the proposal for a directive of the European Parliament and of the Council on the energy performance of buildings \(recast\)](#)

²⁵ Following the 'integrated district or neighbourhood approaches' developed in recital 35a as well as the 'Measures to improve further the energy performance of buildings' developed in recital 11 of [Amendments adopted by the European Parliament on 14 March 2023 on the proposal for a directive of the European Parliament and of the Council on the energy performance of buildings \(recast\)](#)

²⁶ Examples provided in the 4 features can overlap in many regards (e.g. digital social innovation)

renovation toolkits and eco-design, energy efficient HVAC systems, high-performance insulation and glazing, smart facades, building information modelling, building automation and control systems, smart energy efficient and saving solutions, renewables as energy sources to improve energy efficiency, district heating/cooling, thermal energy system substitution;

- **Environmental-friendly innovation:** reuse and recycling of construction materials, reducing construction and site waste, low carbon and locally sourced materials, bio-based insulation materials, use of nature-based solutions, green roofs and walls, passive solar design, landscaping, sustainable urban drainage, urban farming, bioretention areas, green concrete and alternative binders, development of green and blue infrastructures²⁷, urban heat and flood adaptation biodiversity strategy and monitoring plan; access to green mobility alternatives.
- **Social innovation and people-centred intervention models:** addressing specific social challenges in housing districts and neighbourhoods (e.g. fighting energy poverty, improving wellbeing of residents and access to local social services, improving social inclusion and access to employment and/or training, develop new forms of housing), promoting social business models fostering economic activity and regeneration at district level (e.g. via energy communities, common spaces, resident owned services, training activities and frameworks to empower residents such as co-investing and resident-owned services);
- **Partnerships, multi-stakeholder and cross-sectoral engagement:** engaging several disciplines (e.g. architecture, circular construction and deconstruction, digital tools, mobility) and diverse partners involved (e.g. municipalities and local authorities, impact investors, creative and cultural industries, clusters of social and ecological innovation) and alternative engagement practices (e.g. co-investment in renovation, one-stop-shops, innovative financial models, social impact bond, work-integration schemes) in integrated renovation and construction projects.

Local industrial partnerships (LIPs) is a concept used in the framework of the Affordable Housing Initiative referring to joint-cooperation between SMEs^{28 29}, housing providers, local public authorities and bodies with any other relevant entities in a renovation or construction project at district scale targeting social and affordable housing. Such engagement can take place at different stages of the project, from the conceptual phase to the planning/financing or/and the implementation stage. In that regard, the level of cooperation and coordination between organisations involved in LIPs can vary.

Lighthouse districts refer, in this context, to projects showcasing integrated approaches, piloted by LIPs and identified in the framework of the abovementioned target to support 100 lighthouse districts by 2030 set-up by the Affordable Housing Initiative.³⁰

²⁷ [Green and Blue Infrastructures | Knowledge for policy \(europa.eu\)](#)

²⁸ Small and medium-sized enterprises (SMEs) are defined in the [EU recommendation 2003/361](#)

²⁹ Target SMEs could be active in the following industrial ecosystems: the construction ecosystem, proximity and social economy ecosystem via social housing services and other social services linked to housing districts (e.g. incubation, training, work-integration, social entrepreneurship) as well as renewables ecosystem, digital and electronics ecosystem. Similarly, it could provide opportunities for SMEs that operate in the health, cultural and creative industries, retail and agri-food ecosystems.

³⁰ Members of 35 selected LIPs, performing in the use of integrated approaches will be selected by the AHI partnership to receive tailored support based on projects’ specific needs and characteristics. These projects would be labelled as “lighthouse districts” supported under the Affordable Housing Initiative.

The Affordable Housing Initiative and this call for proposals support **projects showcasing integrated approaches**, defined as renovation or construction projects taking place at neighborhood level and mobilizing different organizations and local actors. Such projects involve several buildings and housing units, have an energy efficiency focus as prerequisite and target mainly social and affordable housing.

The AHJ European Partnership set up under this call for proposals shall deliver on the following **4 main priorities**:

- **Priority 1**: Promote across the EU the use of **integrated approaches** in energy renovation and energy efficient construction projects of social and affordable housing at district level, paying particular attention to vulnerable groups (e.g. in terms of affordability, liveability, engagement, sense of belonging);
- **Priority 2**: Identify the support needs of (minimum) **35 selected LIPs** driving a local renovation or construction project towards a **lighthouse district**. Provide **capacity and tailored technical assistance** to its members to enable efficient project delivery and motivate projects to explore other aspects of integrated approaches not yet considered;
- **Priority 3**: Act as project catalyser and centre of **expertise, networking and knowledge transfer** for any interested and/or involved organisation engaged in social and affordable housing renovation and construction projects aiming towards neighbourhood regeneration;
- **Priority 4**: Work toward the **aggregation** and **dissemination** of good practices that can be replicated across Europe as well as promote and make available the materials developed (e.g. blueprints, capacity building curricula, best practices, financial plans).

Activities that can be funded (scope)

To achieve the aforementioned objectives, the AHJ Partnership must undertake the following **compulsory activities**:

1. **Select (minimum) 35 LIPs** via a transparent and open process of selection and:
 - Ensuring widespread dissemination and reach of the call(s) for selection of lighthouse districts to receive as many applications as possible from eligible projects in different Member States and/or? regions³¹;
 - Aiming for a comprehensive and diversified set of selected lighthouse districts (e.g. in terms of renovation vs construction projects, geographical coverage, stage of project, funding sources, predominant housing tenure, average energy performance of housing units, amount of dwellings concerned, territorial typology, territorial development);
 - Supporting most promising/performing projects among eligible LIPs pursuing/implementing integrated approaches (based on the abovementioned 4 features).

³¹ Including in countries not or not well covered by the European Affordable Housing Consortium' mentoring programme or by the projects under the 'Social and affordable housing district demonstrator' call (i.e. [drOp](#), [SUPERSHINE](#), [ProLight](#)). See: [Affordable housing initiative \(europa.eu\)](#)

2. Provide **tailored support** and capacity-building to members of the (minimum) **35 selected LIPs** implementing **lighthouse districts** by:

- Providing LIPs in the selected districts technical assistance and tailored expertise (e.g. on specific methodologies, technologies, engagement strategies) according to the specific needs raised in the application of the selected lighthouse districts. Such support could be provided via ad-hoc meetings with experts, mentorship programmes, individual and group coaching, train-the-trainer programmes, workshops, study visits, seminars, training courses, networking and matchmaking events, advisory services, communication support and other means, etc;
- Raising awareness, supporting and providing advice and solutions to selected LIPs towards integrated renovation and construction projects (e.g. via access to state-of-the-art technologies, use of smart planning, biodiversity conservation, access to green spaces, local social services, development of participatory models for residents, mobilisation of local artists, architects, and designers, development of energy cooperatives and communities);
- Engaging in research and identification of relevant initiatives, organisations and existing tools for technical assistance available to entities of the selected LIPs for renovation and construction of social and affordable housing districts;
- Ensuring members of selected LIPs have the opportunity to apply and get tailored support in their own language;
- Building on the mentorship scheme³² developed by the European Affordable Housing Consortium to support selected lighthouse districts and foster replicability of successful approaches.

3. Provide **general support** to **any interested** and/or **involved organisation** engaged in social and affordable housing renovation and construction projects aiming towards neighbourhood regeneration:

- Providing expertise (e.g. via online trainings, off-the-shelf digital tools), developing new materials (e.g. practical guidelines, hand-books, infographics) and tools (e.g. open-access platform with regularly updated best practices and testimonies, match-making function) illustrating the extent to which SMEs, housing providers and local authorities, along with other relevant entities, can together engage in renovation or construction projects targeting social and affordable housing;³³
- Facilitating the cooperation among organisations involved in social and affordable housing renovation and construction projects (e.g. via peer-to-peer exchanges, thematic workshops) in order to boost replication chances of successful approaches taking in consideration the characteristics of the project (e.g. type of heating supply, project's stage of advancement, funding source), of the neighbourhood (% of social housing, predominant housing tenure, average age of residents) and of the organisations involved (e.g. presence of micro and/or medium-sized enterprises, type of business activities, small vs large municipalities, type of social housing providers);

³² Under the '[Renovation Helpdesk](#)'

³³ Potential issues and questions to be addressed can be retrieved on next page in the non-exhaustive list of new topics for the blueprints.

- Identifying and showcasing the added value of integrated approaches (e.g. in terms of water management, housing affordability, accessibility and mobility, labour market inclusion, liveability and access to local services, urban farming and green infrastructure) in social and economic regeneration of neighbourhoods;
 - Building on existing deliverables of the European Affordable Housing Consortium²⁰ to map EU policies and relevant projects piloted/funded under EU initiatives and programmes (e.g. [European Urban Initiative](#), [LIFE programme](#), [Horizon Europe](#), [BUILD UP](#), [Energy Poverty Advisory Hub](#), [ENPOR](#), [Smart Cities Marketplace](#)), identify projects with a focus on renovation and construction of social and affordable housing to foster cooperation with the activities of the AHI partnership³⁴ (e.g. via peer-learning, presentations, participation to events, joint-initiatives) aiming towards replication of existing approaches and successful practices, and contribute to the validation of social and affordable housing projects to be included in the portfolio of New European Bauhaus³⁵ projects that will be prepared by the Commission.
 - Delivering on blueprints modules by addressing new areas and by building on existing modules developed by the European Affordable Housing Consortium³⁶ supporting replication of specific interventions to deliver successful lighthouse districts supporting SMEs, local authorities and bodies, housing providers and other relevant entities through the different stages of the project. The AHI partnership is expected to address topics raised in the following non-exhaustive list:
 - Smart deconstruction, embodied emissions and reuse of construction materials, retrofitting and repurposing of vacant housing, cooperative housing models, community land trust models, combination of environmental and social procurement clauses, nature-based solutions, involvement of energy service companies and energy audit companies, uptake of digital tools by construction micro-enterprises, climate adaptation solutions against urban heat island effect, role of one-stop-shops and centralized help-desk services, deployment of heat-pumps, district heating and cooling, development of alternative publicly-financed solutions and public-private partnerships, energy efficiency gains of renovation of least energy-performing buildings;
 - Building on the 'Report on identification of opportunities and barriers of LIPs', the 'Blueprints modules', the 'Handbook of Best Practices', materials of on-site events and recording of online trainings and workshops developed by the European Affordable Housing Consortium³⁷ to support relevant organisations, enhance neighbourhood social and economy regeneration and foster replicability of successful approaches.
4. Provide **tailored support** to the (minimum) 35 selected LIPs and general support to **any interested** and/or **involved organisation** engaged in social and affordable housing renovation and construction projects at district level **to access funding and financial assistance:**

³⁴ Including synergies between activities and deliverables of the AHI partnership and between other projects in which members of the consortium are involved

³⁵ The AHI partnership is expected to build synergies, interact, get involved and regularly share information and updates with the NEB team in JRC, NEB 'Community', [NEB academy](#), [NEB Lab](#) and other relevant actions of the NEB initiative. The project should ensure that sufficient resources are available to cover such activities

³⁶ <https://shape-affordablehousing.eu>

³⁷ <https://shape-affordablehousing.eu>

- Develop supporting materials and organise thematic capacity building activities (e.g. trainings, workshops, webinars, pitching sessions) to guide and support members of the selected LIPs and any relevant organisation to access European funds and programmes as well as funding available at national, regional and local levels;
- Providing ad-hoc advisory to members of selected LIPs and any relevant organisation to facilitate absorption of EU funding instruments, notably through bundling and aggregation projects for larger scale intervention;
- Establishing contacts with financial and banking institutions at EU level (e.g. European Investment Bank, the Council of Development Bank) as well as other financial institutions at national and regional level, which invest in construction and renovation of social and affordable housing and liaise with them to support relevant organisations to access funding opportunities they offer;
- Establishing contacts with relevant units in the European Commission, relevant EU institutions and bodies and with managing authorities active at national working on financing construction and renovation of social and affordable housing (e.g. with [InvestEU](#), [Cohesion Policy funds](#)) and liaise with them to tap into the potential of these instruments for such housing-related projects;
- Facilitating the development of innovative and performance-based procurement policies, fostering participation of SMEs to tenders, supporting the use of social clauses and environmental criteria at local and regional level by organizing awareness-raising and training activities for procuring entities (including social housing providers in some cases) and SMEs answering public tenders;
- Exploring financing options to find an optimum mix of private funding (e.g. residents co-investing) and public funding (e.g. via blended finance, public guarantees), mobilising private capital investments and alternative financing such as social and green bonds, social impact investments, philanthropy and facilitating their access for relevant organisations;

Applicants are required to explain in detail which activities related to ‘access funding and financial assistance’ are foreseen for tailored support (including budget implications) and which activities fall under the general support available to any interested and/or involved organisation. See section “Deliverables”.

5. Set up an overall **communication and dissemination strategy** setting up the Affordable Housing Initiative Community, building communication tools (e.g. newsletter, promotional video content)³⁸ and ensuring reach out to relevant experts in the field and EU-funded projects relevant for selected LIPs and any other relevant organisation.

Applicants are invited to propose additional activities, **on top of the compulsory activities specified above**, to:

- Foster collaboration and networking between SMEs, SME intermediaries from a variety of ecosystems together with public private partnerships, public authorities and bodies, financial institutions and intermediaries for delivery of social and affordable housing renovations and construction.

³⁸ The AHI partnership is expected to build its visual identity in line with the one of the Affordable Housing Initiative. See: [Affordable housing initiative \(europa.eu\)](https://affordablehousinginitiative.europa.eu)

- Facilitate the cooperation between members of LIPs and other relevant organisations (e.g. national and regional development banks, urban planners, social economy actors not directly active in the housing sector, energy communities) to develop new integrated approaches in renovation and construction projects;
- Map specific needs for each type of organisation involved, appropriate delivery methodologies, innovative assistance methods, unsuccessful approaches as well as barriers and opportunities for organisations engaging or willing to engage in renovation and construction of social and affordable housing at district level;
- Identify best practices at local and regional levels aiming at addressing shortages of skills in relevant ecosystems, at promoting supportive public procurement policies and public-private partnerships, at enabling access to funding and at developing innovative models to renovate and build new social and affordable housing units;
- Provide financial advisory to relevant organisations at conceptual and planning and financing stage to set-up financing arrangements for renovation and construction projects at district level with energy efficiency as a prerequisite but also incorporating integrated approaches and thus addressing other aspects (e.g. intergenerational neighbourhood, aesthetics, access to local social services for residents, development of green and blue infrastructure, empowerment of local communities);
- Work on a user-friendly funding guide, adapted to target groups, building on the 'Access to funding handbook' developed by the European Affordable Consortium, paying particular attention to providing useful insights for projects on the ground and showcasing practical examples of integrated projects for each category of funding.

Applicants must clearly explain in their proposal how they plan to execute both the compulsory and non-compulsory activities.

As for the selected project under this call, coordination and cooperation between the members of the consortium is of key importance to ensure coherence and consistency across the activities and deliverables of the AHI partnership³⁹. This, also unlock the replication potential and to foster synergies across EU-funded projects and other projects run by the participants. In this sense, coordination and cooperation with responsible officers in EISMEA and DG GROW should also be foreseen (e.g. on standards and selection criteria for the (minimum) 35 lighthouse districts, on the participation to events organised by the AHI partnership and its members, on the provision of regular updates).

Applicants must clearly explain in their proposal how such cooperation and collaboration will take place during the project implementation.

Non-eligible activities

The development and improvement of any physical infrastructure and any other activities not aiming to achieve the objectives of this call for proposals are not eligible.

Expected impact

³⁹ For instance, on the use of general support materials and tools as basis for targeted and tailored support to districts among the 35 selected.

The overall expected impact of the action is to contribute to the alleviation of housing unaffordability, residential building-related greenhouse gas emissions, energy poverty and social exclusion in Europe. It seeks to promote the use of an integrated approach in renovation and construction projects of social and affordable housing districts targeting neighbourhood regeneration. It aims at supporting members of LIPs and any interested organisation active in the conceptualisation, planning, financing or implementation of a construction or renovation project of social and affordable housing at district level. This, by directly supporting on the ground the needs of 35 selected projects on the one hand, and by promoting the integrated approach while enhancing expertise and knowledge sharing towards relevant organisation involved at the EU, national, regional and local levels.

A robust set of key performance indicators must be used for reporting and monitoring, with a duly justified methodology. Proposals must put forward and explain a monitoring and reporting strategy, with appropriate indicators to measure outputs, outcomes and longer-term impacts that match the proposed set of actions. Key performance indicators to be used for reporting and monitoring -the below list is not exhaustive and indicates the minimum of indicators to be used. Additional key performance indicators can be put forward):

- Number and geographic spread of LIPs applying for tailored support as lighthouse district under the Affordable Housing Initiative;
- Number and geographic spread of LIPs receiving tailored support;
- Diversity of partners within selected LIPs receiving tailored support;
- Diversity of activities and areas of support provided to selected LIPs;
- Number and geographic spread of SMEs benefitting from the services (both tailored and general support) provided by the AHI partnership with the target of 2000 SMEs supported in total;
- Number and geographic spread of both SMEs directly active in the housing sector and SMEs not active in the housing sector benefitting from both the tailored support and from the general support provided by the AHI partnership;
- Number and comprehensiveness of good practices identified and recommendations formulated;
- Number of identified possible additional funding opportunities for innovative products or services targeting social and affordable housing;
- Number of seminars, trainings, workshops, focus groups and other events organized;
- Number of attendants from SMEs not active in the housing sector, local public authorities, social and affordable housing providers and other relevant entities (e.g. energy audit providers, energy service companies, urban designers and planners, national and regional development banks, vocational training providers, foundations, architects, local social services, energy service companies, energy audit companies, clusters of social and ecological innovation, research centres) in seminars, trainings, workshops, focus groups and other events and capacity building activities organised.

Deliverables

The following deliverables are **compulsory**:

- a deliverable giving details of the methodology of the AHI partnership to select a minimum of 35 LIPs, including the ways to ensure the broad dissemination of the call, the selection criteria and the application form to be filled-in by applying LIPs⁴⁰;
- a technical report elaborating the activities and related budget of tailored support and customised capacity-building activities towards the selected LIPs ⁴¹;
- a mapping of relevant projects piloted/funded under EU initiatives and programmes as developed in the section ‘Activities that can be funded (scope)’ and a plan on how synergies will be created with these projects;
- updated and new blueprints modules addressing areas elaborated in the section ‘Activities that can be funded (scope)’.

3. Available budget

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

The Agency expects to fund one proposal.

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

4. Timetable and deadlines

Timetable and deadlines (indicative)	
Call opening:	7 February 2024
Deadline for submission:	<u>9 April 2024 – 17:00:00 CET</u> (Brussels)
Evaluation:	May-June 2024
Information on evaluation results:	July 2024
GA signature:	October 2024

5. Admissibility and documents

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

Proposals must be submitted **electronically** via the Funding & Tenders Portal Electronic Submission System (accessible via the Topic page in the [Search Funding & Tenders](#) section). Paper submissions are NOT possible.

Proposals (including annexes and supporting documents) must be submitted using the forms provided *inside* the Submission System (⚠ NOT the documents available on the Topic page — they are only for information).

⁴⁰ A template will be provided.

⁴¹ To be sent every 4 months from the 6th month of implementation onwards.

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

- Application Form Part A — contains administrative information about the participants (future coordinator, beneficiaries and affiliated entities) and the summarised budget for the project (*to be filled in directly online*)
- Application Form Part B — contains the technical description of the project (*to be downloaded from the Portal Submission System, completed and then assembled and re-uploaded*)
- **mandatory annexes and supporting documents** (*to be uploaded*):
 - detailed budget table/calculator (*template available in the Submission System*)
 - CVs (short outlines) of core project team (free format - no template is provided.)
 - activity reports of last year: not applicable
 - list of previous projects (key projects for the last 4 years) (*template available in Part B*)
 - short description of each of the consortium participants (including their affiliates) to demonstrate that it meets all the eligibility and selection criteria, as elaborated under Section 6, "Eligibility" and Section 7 "Operational capacity" (free format - no template is provided).

Please note that the amounts entered into the summarised budget table (filled in directly online) must correspond to the amounts calculated in the detailed budget table. In case of discrepancies, the amounts in the online summarised budget table will prevail.

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

Your application must be **readable, accessible and printable**.

Proposals are limited to maximum **50 pages** (Part B). Evaluators will not consider any additional pages.

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



For more information about the submission process (including IT aspects), consult the [Online Manual](#).

6. Eligibility

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

[Eligible participants \(eligible countries\)](#)

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

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

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

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

Specific cases


Exceptional funding — Entities from other countries (not listed above) are exceptionally eligible, if the granting authority considers their participation essential for the implementation of the action.

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

International organisations — International organisations are eligible. The rules on eligible countries do not apply to them.

Entities without legal personality — Entities which do not have legal personality under their national law may exceptionally participate, provided that their representatives have the capacity to undertake legal obligations on their behalf, and offer guarantees for the protection of the EU financial interests equivalent to that offered by legal persons⁴².

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

Associations and interest groupings — Entities composed of members may participate as 'sole beneficiaries' or 'beneficiaries without legal personality'⁴³.  Please note that if the action will be implemented by the members, they should also participate (either as beneficiaries or as affiliated entities, otherwise their costs will NOT be eligible).

Countries currently negotiating association agreements — Beneficiaries from countries with ongoing negotiations (*see above*) may participate in the call and can sign grants if the negotiations are concluded before grant signature and if the association covers the call (i.e. is retroactive and covers both the part of the programme and the year when the call was launched).

EU restrictive measures — Special rules apply for certain entities (*e.g. entities subject to [EU restrictive measures](#) under Article 29 of the Treaty on the European Union*

⁴² See Article 197(2)(c) EU Financial Regulation [2018/1046](#).

⁴³ For the definitions, see Articles 187(2) and 197(2)(c) EU Financial Regulation [2018/1046](#).

(TEU) and Article 215 of the Treaty on the Functioning of the EU (TFEU)⁴⁴ and entities covered by Commission Guidelines No [2013/C 205/05](#)⁴⁵). Such entities are not eligible to participate in any capacity, including as beneficiaries, affiliated entities, associated partners, subcontractors or recipients of financial support to third parties (if any).

Following the [Council Implementing Decision \(EU\) 2022/2506](#), as of 16 December 2022, no legal commitments (including the grant agreement itself as well as subcontracts, purchase contracts, financial support to third parties etc.) can be signed with *Hungarian public interest trusts* established under [Hungarian Act IX of 2021](#) or any entity they maintain. Affected entities may continue to apply to calls for proposals. However, in case the Council measures are not lifted, such entities are not eligible to participate in any funded role (beneficiaries, affiliated entities, subcontractors, recipients of financial support to third parties). In this case, co-applicants will be invited to remove or replace that entity and/or to change its status into associated partner. Tasks and budget may be redistributed accordingly.

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

Consortium composition

Proposals must be presented by consortia composed of **at least four** and **maximum six partners** (beneficiaries; not affiliated entities), which comply with the following conditions:

- **at least 3 consortium partners** must each have members established in and/or must represent at least 10 different eligible countries;
- **at least 1 consortium partner** must be (or have members) operating within the **social housing sector** (e.g. housing associations, housing cooperatives, social housing providers, social housing provider representative organisations or federations).
- **at least 1 consortium partner** must be (or have members) operating within the **construction sector**.
- **at least 1 consortium partner** must be (or have members) specialised in smart energy efficient and saving solutions, district heating/cooling, thermal energy system substitution
- **at least 1 consortium partner** must be (or have members) operating within the **renewable energy sector**
- **At least 1 consortium partner** must be a **financial institution**⁴⁶ or representative of financial institutions, financial advisory services, investment funds. This partner must have members established in and/or represent and/or operate in at least 5 different eligible countries. If more than one of such financial entities participates in the consortium, this requirement applies to all of them together.

The same consortium partner organisation (beneficiary; not affiliated) **can fulfil more than one** of the above requirements.

⁴⁴ Please note that the EU Official Journal contains the official list and, in case of conflict, its content prevails over that of the [EU Sanctions Map](#).

⁴⁵ 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).

A short description of each of the consortium participants has to be provided in order to demonstrate that it meets all of the above eligibility criteria (*see section 5 – Mandatory Annexes and Supporting documents; free format – no template is provided but all eligibility requirements have to be addressed*).

Eligible activities

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

Projects should take into account the results of other projects supported by EU funding programmes. The complementarities must be described in the project proposals (Part B of the Application Form).

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

Geographic location (target countries)

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

Duration

Projects are expected to last 24 months. Extensions are possible, but only if duly justified and through an amendment.

Project budget

Project budgets (maximum grant amount) are expected to be around EUR 1 000 000, but this does not preclude the submission/selection of proposals requesting other amounts. The grant awarded may be lower than the amount requested.

At least **30%** of the grant amount must be allocated to the **tailored support** and **customised capacity-building activities** provided to the (minimum) 35 selected LIPs working towards the implementation of lighthouse districts⁴⁷.

7. Financial and operational capacity and exclusion

Financial capacity

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

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

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

- public bodies (entities established as public body under national law, including local, regional or national authorities) or international organisations;

⁴⁷ Developed in section "Activities that can be funded (scope)". Applicants are expected to explain in detail in the proposal how the budget will be allocated to activities providing tailored support.

- if the individual requested grant amount is not more than EUR 60 000.

If needed, it may also be done for affiliated entities.

If we consider that your financial capacity is not satisfactory, we may require:

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

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

Operational capacity

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

This capacity will be assessed together with the 'Quality' award criterion, 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.

The consortium must have all of the below required experience in the following areas:

- social and affordable housing models in the EU;
- construction and renovation techniques for social and affordable housing buildings;
- renewable energy and energy efficiency solutions and methodologies (e.g. from production to participatory energy schemes), notably in the context of addressing energy poverty for more vulnerable groups (in the renewable energy sector);
- social innovation;
- financial project design for construction and renovation of social housing and affordable projects, including experience with public procurement and private finance in the area of social and affordable housing.

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

- profiles (qualifications and experience) of the staff responsible for managing and implementing the project.
- description of the consortium participants (*see section 5 - Mandatory Annexes and Supporting documents; free format - no template is provided but all required experiences mentioned above have to be addressed*).

- 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.

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 participate⁴⁸:

- 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 misconduct⁴⁹ (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 grant⁷)
- 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 Regulation No [2988/95](#) (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- created under a different jurisdiction with the intent to circumvent fiscal, social or other legal obligations in the country of origin or created another entity with this purpose (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant).

Applicants will also be refused if it turns out that⁵⁰:

- 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).

⁴⁸ See Articles 136 and 141 of EU Financial Regulation [2018/1046](#).

⁴⁹ 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.

⁵⁰ See Article 141 EU Financial Regulation [2018/1046](#).

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** (assisted by independent outside experts) 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:

Successively for every group of *ex aequo* proposals, starting with the highest scored group, and continuing in descending order:

- 1) Projects focusing on a priority of the call that is not otherwise covered by higher ranked projects will be considered to have the highest priority.
- 2) 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'.
- 3) 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.
- 4) After that, the remainder of the available call budget will be used to fund projects across the different priorities of the call, in order to ensure a balanced spread of the geographical and thematic coverage and while respecting to the maximum possible extent the order of merit based on the evaluation of the award criteria.

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

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

Grant preparation will involve a dialogue in order to fine-tune technical or financial aspects of the project and may require extra information from your side. It may also include adjustments to the proposal to address recommendations of the evaluation committee or other concerns. Compliance will be a pre-condition for signing the grant.

If you believe that the evaluation procedure was flawed, you can submit a **complaint** (following the deadlines and procedures set out in the evaluation result letter). Please note that notifications which have not been opened within 10 days after sending are considered to have been accessed and that deadlines will be counted from opening/access (*see also [Funding & Tenders Portal Terms and Conditions](#)*). Please also be aware that for complaints submitted electronically, there may be character limitations.

9. Award criteria

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

- **Relevance:** clarity and consistency of project, objectives and planning; extent to which they match the themes and priorities and objectives of the call; contribution to the EU strategic and legislative context; European/trans-national dimension; impact/interest for a number of countries (EU or eligible non-EU countries); possibility to use the results in other countries; potential to develop mutual trust/cross-border cooperation (**30 points**)
- **Quality:**
 - **Project design and implementation:** technical quality; logical links between the identified problems, needs and solutions proposed (logical frame concept); methodology for implementing the project (concept and methodology, management, procedures, timetable, risks and risk management, monitoring and evaluation); feasibility of the project within the proposed time frame; cost effectiveness (sufficient/appropriate budget for proper implementation; best value for money) (**30 points**)
 - **Project team and cooperation arrangements:** quality of the consortium and project teams; appropriate procedures and problem-solving mechanisms for cooperating within the project teams and consortium (**30 points**)
- **Impact:** ambition and expected long-term impact of results on target groups/public; appropriate dissemination strategy for ensuring sustainability and long-term impact; sustainability of results after EU funding ends (**10 points**).

Award criteria	Minimum pass score	Maximum score
Relevance	16	30
Quality — Project design and implementation	16	30
Quality — Project team and cooperation arrangements	16	30
Impact	6	10
Overall (pass) scores	70	100

Maximum points: 100 points.

Individual thresholds per criterion: 16/30, 16/30, 16/30 and 6/10 points.

Overall threshold: 70 points.

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

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

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

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

The Model Grant Agreement that will be used (and all other relevant templates and guidance documents) can be found on [Portal Reference Documents](#).

Starting date and project duration

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

Project duration: *see section 6 above*

Activities are expected to start beginning of October 2024.

Milestones and deliverables

Mandatory deliverables are mentioned in section 2.

The milestones and deliverables for each project will be managed through the Portal Grant Management System and will be reflected in Annex 1 of the Grant Agreement.

Form of grant, funding rate and maximum grant amount

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

Project budget (maximum grant amount): *see section 6 above*.

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

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

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

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

Budget categories and cost eligibility rules

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

Budget categories for this call:

- A. Personnel costs
 - A.1 Employees, A.2 Natural persons under direct contract, A.3 Seconded

- persons
- 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: No
- E. Indirect costs

Specific cost eligibility conditions for this call:

- personnel costs:
 - SME owner/natural person unit cost⁵¹: Yes
- travel and subsistence unit cost⁵²: Yes
- equipment costs: depreciation
- other cost categories:
 - costs for financial support to third parties is not allowed
- indirect cost flat-rate: 7% of the eligible direct costs (categories A-D, except volunteers costs and exempted specific cost categories, if any)
- VAT: non-deductible VAT is eligible (but please note that since 2013 VAT paid by beneficiaries that are public bodies acting as public authority is NOT eligible)
- other:
 - in-kind contributions for free are allowed, but cost-neutral, i.e. they cannot be declared as cost
 - 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 *separate* project websites are not eligible
 - EU Synergies call: No
 - other ineligible costs: No

Reporting and payment arrangements

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

⁵¹ Commission [Decision](#) of 20 October 2020 authorising the use of unit costs for the personnel costs of the owners of small and medium-sized enterprises and beneficiaries that are natural persons not receiving a salary for the work carried out by themselves under an action or work programme (C(2020)7715).


⁵² Commission [Decision](#) of 12 January 2021 authorising the use of unit costs for travel, accommodation and subsistence costs under an action or work programme under the 2021-2027 multi-annual financial framework (C(2021)35) as amended by Commission Decision C(2023)4928 of 26 July 2023.

After grant signature, you will normally receive a **prefinancing** to start working on the project (float of normally **70%** of the maximum grant amount; exceptionally less or no prefinancing). The prefinancing will be paid 30 days from entry into force/10 days before starting date/financial guarantee (if required) — whichever is the latest.

There will be one **interim payment** (with detailed cost reporting)

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

All payments will be made to the coordinator.

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

Please also note that you are responsible for keeping records on all the work done and the costs declared.

Prefinancing guarantees

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

The guarantee should be in euro and issued by an approved bank/financial institution established in an EU Member State. If you are established in a non-EU country and would like to provide a guarantee from a bank/financial institution in your country, please contact us (this may be exceptionally accepted, if it offers equivalent security).

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

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

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

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

Certificates

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

Liability regime for recoveries

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

For beneficiaries, it is 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

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

- list of background: No
- rights of use on results: Yes
- access rights to ensure continuity and interoperability obligations: Yes

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

- communication and dissemination plan: Yes
- additional communication and dissemination activities: Yes

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

- specific rules for PPI Grants for Procurement: No
- specific rules for blending operations: No

Other specificities

n/a

Non-compliance and breach of contract

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



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

11. How to submit an application

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

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

a) create a user account and register your organisation

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

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

b) **submit the proposal**

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

Submit your proposal in 3 parts, as follows:

- Part A includes administrative information about the applicant organisations (future coordinator, beneficiaries, affiliated entities and associated partners) and the summarised budget for the proposal. Fill it in directly online
- Part B (description of the action) covers the technical content of the proposal. Download the mandatory word template from the Submission System, fill it in and upload it as a PDF file
- Annexes (*see section 5*). Upload them as PDF file (single or multiple depending on the slots). Excel upload is sometimes possible, depending on the file type.

The proposal must keep to the **page limits** (*see section 5*); excess pages will be disregarded.

Documents must be uploaded to the **right category** in the Submission System otherwise the proposal might be considered incomplete and thus inadmissible.

The proposal must be submitted **before the call deadline** (*see section 4*). After this deadline, the system is closed and proposals can no longer be submitted.

Once the proposal is submitted, you will receive a **confirmation e-mail** (with date and time of your application). If you do not receive this confirmation e-mail, it means your proposal has NOT been submitted. If you believe this is due to a fault in the Submission System, you should immediately file a complaint via the [IT Helpdesk webform](#), explaining the circumstances and attaching a copy of the proposal (and, if possible, screenshots to show what happened).

Details on processes and procedures are described in the [Online Manual](#). The Online Manual also contains the links to FAQs and detailed instructions regarding the Portal Electronic Exchange System.

12. Help

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

- [Online Manual](#)
- FAQs on the Topic page (for call-specific questions in open calls; not applicable for actions by invitation)
- [Portal FAQ](#) (for general questions).

Please also consult the Topic page regularly, since we will use it to publish call updates. (For invitations, we will contact you directly in case of a call update).

Contact

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

Non-IT related questions should be sent at the latest on 10 April 2024 – 17:00 CET (Brussels) to the following email address: EISMEA-SMP-COSME-ENQUIRIES@ec.europa.eu.

Please indicate clearly the reference of the call and topic to which your question relates (*see cover page*).

13. Important



IMPORTANT

- **Don't wait until the end** — Complete your application sufficiently in advance of the deadline to avoid any last minute **technical problems**. Problems due to last minute submissions (*e.g. congestion, etc*) will be entirely at your risk. Call deadlines can NOT be extended.
- **Consult** the Portal Topic page regularly. We will use it to publish updates and additional information on the call (call and topic updates).
- **Funding & Tenders Portal Electronic Exchange System** — By submitting the application, all participants **accept** to use the electronic exchange system in accordance with the [Portal Terms & Conditions](#).
- **Registration** — Before submitting the application, all beneficiaries, affiliated entities and associated partners must be registered in the [Participant Register](#). The participant identification code (PIC) (one per participant) is mandatory for the Application Form.
- **Consortium roles** — When setting up your consortium, you should think of organisations that help you reach objectives and solve problems.

The roles should be attributed according to the level of participation in the project. Main participants should participate as **beneficiaries** or **affiliated entities**; other entities can participate as associated partners, subcontractors, third parties giving in-kind contributions. **Associated partners** and third parties giving in-kind contributions should bear their own costs (they will not become formal recipients of EU funding). **Subcontracting** should normally constitute a limited part and must be performed by third parties (not by one of the beneficiaries/affiliated entities). Subcontracting going beyond 30% of the total eligible costs must be justified in the application.

- **Coordinator** — In multi-beneficiary grants, the beneficiaries participate as consortium (group of beneficiaries). They will have to choose a coordinator, who will take care of the project management and coordination and will represent the consortium towards the granting authority. In mono-beneficiary grants, the single beneficiary will automatically be coordinator.
- **Affiliated entities** — Applicants may participate with affiliated entities (i.e. entities linked to a beneficiary which participate in the action with similar rights and obligations as the beneficiaries, but do not sign the grant and therefore do not become beneficiaries themselves). They will get a part of the grant money and must therefore comply with all the call conditions and be validated (just like beneficiaries); but they do not count towards the minimum eligibility criteria for consortium composition (if any).
- **Associated partners** — Applicants may participate with associated partners (i.e. partner organisations which participate in the action but without the right to get grant money). They participate without funding and therefore do not need to be validated.
- **Consortium agreement** — For practical and legal reasons it is recommended to set up internal arrangements that allow you to deal with exceptional or unforeseen circumstances (in all cases, even if not mandatory under the Grant Agreement). The consortium agreement also gives you the possibility to redistribute the grant money according to your own consortium-internal principles and parameters (for instance, one beneficiary can reattribute its grant money to another beneficiary). The consortium agreement thus allows you to customise the EU grant to the needs inside your consortium and can also help to protect you in case of disputes.

- **Balanced project budget** — Grant applications must ensure a balanced project budget and sufficient other resources to implement the project successfully (*e.g. own contributions, income generated by the action, financial contributions from third parties, etc*). You may be requested to lower your estimated costs, if they are ineligible (including excessive).
- **No-profit rule** — Grants may NOT give a profit (i.e. surplus of revenues + EU grant over costs). This will be checked by us at the end of the project.
- **No double funding** — There is a strict prohibition of double funding from the EU budget (except under EU Synergies actions). Outside such Synergies actions, any given action may receive only ONE grant from the EU budget and cost items may under NO circumstances declared to two different EU actions.
- **Completed/ongoing projects** — Proposals for projects that have already been completed will be rejected; proposals for projects that have already started will be assessed on a case-by-case basis (in this case, no costs can be reimbursed for activities that took place before the project starting date/proposal submission).
- **Combination with EU operating grants** — Combination with EU operating grants is possible, if the project remains outside the operating grant work programme and you make sure that cost items are clearly separated in your accounting and NOT declared twice (see [AGA — Annotated Model Grant Agreement, art 6.2.E](#)).
- **Multiple proposals** — Applicants may submit more than one proposal for *different* projects under the same call (and be awarded a funding for them). Organisations may participate in several proposals. BUT: if there are several proposals for *very similar* projects, only one application will be accepted and evaluated; the applicants will be asked to withdraw one of them (or it will be rejected).
- **Resubmission** — Proposals may be changed and re-submitted until the deadline for submission.
- **Rejection** — By submitting the application, all applicants accept the call conditions set out in this this Call Document (and the documents it refers to). Proposals that do not comply with all the call conditions will be **rejected**. This applies also to applicants: All applicants need to fulfil the criteria; if any one of them doesn't, they must be replaced or the entire proposal will be rejected.
- **Cancellation** — There may be circumstances which may require the cancellation of the call. In this case, you will be informed via a call or topic update. Please note that cancellations are without entitlement to compensation.
- **Language** — You can submit your proposal in any official EU language (project abstract/summary should however always be in English). For reasons of efficiency, we strongly advise you to use English for the entire application. If you need the call documentation in another official EU language, please submit a request within 10 days after call publication (for the contact information, see *section 12*).

- **Transparency** — In accordance with Article 38 of the [EU Financial Regulation](#), information about EU grants awarded is published each year on the [Europa website](#).

This includes:

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

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

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