



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

Call for proposals

Social innovation call for proposals: Actions to develop impact
performance intelligence services

(ESF-2024-SOC-IMP)

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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 impact investment market under the **European Social Fund Plus (ESF+)**.

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

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

The call is launched in accordance with the [2024 Work Programme](#)² and will be managed by the **European Commission, Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL)**.

The call covers the following **topics**:

- **ESF-2024-SOC-IMP — Social innovation call for proposals: actions to develop impact performance intelligence services**

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

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

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

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

² Commission Implementing Decision C(2023) 7573 final of 17 October 2023 concerning the adoption of the work programme for 2024 and the financing decision for the implementation of the European Social Fund Plus (ESF+) and in particular its Employment and Social Innovation (EaSI) strand.

- the AGA — Annotated Grant Agreement contains:
 - detailed annotations on all the provisions in the Grant Agreement you will have to sign in order to obtain the grant (*including cost eligibility, payment schedule, accessory obligations, etc*).

1. Background

This call for proposals is financed under the **Employment and Social Innovation (EaSI) strand of the ESF+** which is a European-level financing instrument managed directly by the European Commission. It provides financial support to achieve high employment levels, fair social protection, a skilled and resilient workforce ready for the future world of work, as well as inclusive and cohesive societies aiming to eradicate poverty.

Article 25 (g) of the ESF+ regulation on the EaSI operational objectives provides for support to develop social enterprises and the emergence of a social investment market, facilitating public and private interactions and the participation of foundations and philanthropic actors in that market. Moreover, in the [2021 Communication from the Commission 'Building an economy that works for people: an action plan for the social economy'](#), the Commission announced its intention to complement financial instruments with grant support for building social enterprise finance markets in Europe by supporting the setting up of new financial instruments and investment readiness programmes.

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

According to the 2024 Work Programme, this call is expected to contribute to the provision of enhanced data capabilities services, as well as impact management tools and practices to social purpose entities (such as – but not exclusively – social enterprises, social economy entities, social start-up, impact firms), to improve investment decision-making and increase their social impact investment capacity.

The growing social impact investment market in the EU

The term 'impact investing' entered the international debate when the Rockefeller foundation introduced it as part of its [impact investing initiative meeting in 2007](#). The [Global Impact Investing Network \(GIIN\)](#) – a not-for-profit dedicated to building the infrastructure of the field – defined impact investing as "*investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return*".

More recently, the [Global Steering Group for Impact Investment](#) – a transnational coalition of 33 National Advisory Boards supporting the development of the impact investing field – has further elaborated the definition, arguing that "*impact investment optimizes risk, return and impact to benefit people and the planet, setting specific social objectives alongside financial ones and measuring their achievement*".

The impact investing market is increasing by size and market players – in Europe and worldwide. The GIIN estimates the [market size at USD 1.164 trillion \(end 2021\)](#) – an increase of almost 40% compared to 2019. Although GIIN survey data are self-reported and do not cover the full size and diversity of the impact investing market,

they show that more than 3,349 organizations are now investing in the market. Furthermore, almost [half of the new generation in family offices have actively promoted sustainable investing and influenced investment decisions with the intention to have a positive impact on society](#). This creates further market potential for impact investing.

This call for proposals aims at developing socially innovative solutions for the social impact investment market by supporting the design, experimentation, piloting, validation, development and/or expansion of impact data verification and impact performance intelligence services, and other knowledge-driven innovation models, that would result in more and better-informed investment decisions, greater market transparency, and performance benchmarking.

Challenges for the social impact investing market in the EU

The social impact investing market seems to be growing steadily and at a high pace, but despite the successes, there are still substantial barriers for the impact investing market to scale up further and truly achieve its transformative goals.

The most important issue is that the definition of impact investing is unclear due to both the normative character of what impact is³, and to the semantic nuances emerging in the investing world. As a result, a precise sizing of the impact investing market is difficult.

On the other hand, most estimates are based on self-reported data, with no independent party checking which definition of impact investing the reporting entity adheres to. Furthermore, when some attempts are made, the approach is not systemic and consistent over time (for instance the sample considered by the GIIN in its annual survey changes every year), or would need to be further scaled up and continuously updated, as in the case of the [harmonization exercise ran by EVPA](#) (now Impact Europe) in 2022.

The relative small market size leads to another important challenge: the actors active in the field are facing a lack of impact performance data. Market players have no clear view on which impacts are material for their business and for stakeholders, and how such businesses perform compared to others. The lack of accessible measured data generates diverse problems of trust, benchmarking and accessibility for the various stakeholders in the market.

Moreover, newly established impact management systems, which could help in dealing with the above-mentioned challenges, require public disclosure and external verification to be effective. However, such verifications or audits do not yet follow a standardized approach. These verifications and audits practices could be based on a variety of standards, principles, and frameworks, often with an important degree of heterogeneity. This ends up in increasing the background noise rather than bringing clarity to investors and do not manage to fully work as effective playing-level field.

For a clear signal of management quality, such audits and verifications' frameworks need a market- or at least signatory-wide standardization attempt of those who signed up for a specific framework or methodology. This in fact would ensure/enhance market transparency, hence avoiding impact washing and, more generally, free riding behaviours and moral hazard, which undermine the credibility of the transformative

³ I.e. it requires an evaluative standard to designate some actions or outcomes as good, desirable, or permissible, and others as bad, undesirable, or impermissible.

intention of social impact investing and the required trust for the market to work and possibly align with policy goals.

Finally, national and regional impact investing markets differ substantially in their market maturity. National governments are increasingly engaged in – or at least willing to – supporting the rise of impact investing markets through the deployment of ad hoc financial instruments. For this reason, they need more opportunities to share best practices and lessons learned. While learning networks have been established at global level, upward convergence and learning opportunities could be increased through knowledge sharing and several well-designed and ad-hoc tools, such as for instance composite indicators able to ease the comparison of different regional or national impact investing ecosystems.

Lessons from the EU social impact investing market building initiatives

Overall, the social impact investing market has shown its potential, and the adopted measures improved significantly its growth. Nevertheless, as mentioned above, some important challenges still remain. These in turn translate themselves into hesitant institutional investors to get in, opportunistic behaviors from major financial actors – impact washing, lack of data or limited access, heterogeneity of impact measurement and reporting standards, etc.

These issues are partly due to the paradigmatic shift social impact investing postulates, which requires questioning mainstream and consolidated practices and approaches. Furthermore, the mentioned challenges are inherent to the scattered picture of different interventions, which reflect a sometime underdeveloped reflection on what the role of Governments could or should be.

In building the social impact investment market, policymakers at national and international level have been working as follows:

- The effort initially focused on building the supply side, with little consideration for the demand side (which brought up issues in terms of investible pipelines and absorption rates);
- Lessons learned suggested to work on enabling the demand side, mainly through capacity building and investment readiness programs;
- Finally, attention has been paid to the intermediary level, assuming this would have worked for the matching of the supply and demand sides.

Based on literature and to the extent of available knowledge, no specific actions were taken with the goal of building trust among the actors, as trust was expected to be an automatic consequence of the market interactions (“more deals, more trust”).

In other words, not enough attention and resources have been devoted to building knowledge and ensuring its easy access to key decision makers (mainly investors).

In fact, a market’s efficiency is fueled by abundant and robust performance data. A market needs such information exchange. With too high asymmetries, trust and confidence are difficult to establish: markets experience growth barriers due to hesitating buyers and sellers as performance and results are unclear.

In the mainstream financial markets, knowledge platforms and business intelligence services help reducing such asymmetries, as they deliver business and markets news, data, and analysis for financial companies and organizations working in or with the financial market. Today, the social impact investing market lacks actors capable of providing easily accessible data on the impact performance of assets under management, and other information needed to build knowledge and offer insights to lower uncertainty.

The impact investing community has made some efforts to address the needs of standard indicators and strengthening confidence in data quality. The [GIIN's Impact Reporting and Investment Standards](#) (IRIS+) is likely the leading framework. It describes itself as the “generally accepted system for measuring impact”. Other standard setting systems exist e.g., the [Harmonized Indicators for Private Sector Operations](#) (HIPSO).

Most notably, in addressing the European growing impact data hunger, the then EVPA, now Impact Europe, has led a European Impact Investment Consortium, including GSG and several European National Advisory Boards, in a specific effort for data gathering harmonisation, so setting the foundations for [accelerating impact](#).

However, the market still faces the conundrum of impact data: on the one hand, there is a lack of widespread and available data, on the other we observe a proliferation of social impact assessment models.

For this reason, and to make sure the social impact investing market keeps growing while overcoming its current key challenges, it is fundamental to increase experimentation and innovation efforts in the field of impact data, including not only its gathering and collection, but also the way in which impact data is handled, used and accessed by key decision-makers, easing their need to transform impact data into impact intelligence, meaning to extract actionable information to inform business and investment decisions.

In fact, currently there are some actors in Europe providing or able to provide, on a small-scale and through very time-consuming, hence expensive, processes, impact data services and knowledge-driven models for impact management. Therefore, there have been some small-scale actors building new business ventures trying to take the opportunity offered by the market gap, however, due to their size, service-based business models, and their labour-intensive nature, these actors tend to focus more on providing services for helping companies to keep up with the increasing reporting requirements rather than to help them in their decision-making process. This means that despite their potential and the positive business results achieved, these actors struggle to bring their services at scale and hence the market need is still unmatched.

At the same time, the risky experimentation component in the development of products and services for the impact management industry, coupled with the already mentioned difficulties in scaling up any innovative solution due to their small-scale and consultancy-driven features, so far prevented newcomers joining the sector and bring additional expertise and vision.

In both cases, i.e. with regard to already existing companies and potential newcomers as well, the main risk is to have them trapped in what the relevant literature in the field has defined as “starvation cycle”. This phenomenon is a vicious cycle that leaves these organisations so overwhelmed by the increasing demand for their services, that they can barely find the human, cognitive and financial resources for longer term strategic research, development and innovation actions.

Existing resources

Along with the development of social impact investing market, the knowledge base and available tools have also multiplied. While a comprehensive map of such landscape is still missing, in order to capture the development and challenges of this fast-growing phenomenon, the following material and tools are already in place and can be useful for the preparation of the proposals.

General readings on the state of development of the social impact investment market in the EU, are:

- Nicholls & Ormiston, Financial market transformations for investing in social impact. In: [Social Economy Science](#), 2023
- The GIIN, [Emerging Trends in Impact Investing](#), 2023
- EVPA, [Accelerating Impact. Main takeaways from the first harmonised European impact investment market sizing exercise](#), 2022
- OECD, [Social Impact Investment. The Impact Imperative for Sustainable Development](#), 2019
- JRC Science for Policy Report, [Social Impact Investment in the EU. Financing Strategies and Outcomes Oriented Approaches for Social Policy Innovation: Narratives, Experiences, and Recommendations](#), 2018

Examples of national-level market sizing exercises can be also consulted:

- [The Supply Side of Impact Capital in Spain in 2022](#)
- [Finance for impact. 2023 Italian Outlook. The journey to radicality](#)
- [Annual Barometer Regarding the Belgian Impact Finance Market](#)

Material on impact measurement and management, underpinning methodologies, and its relevance for the structuring of the social impact investment market can be consulted looking at – among many – the following reports:

- The GIIN, [Impact Measurement and Management Practice](#), 2023
- Spiess-Knafl & Scheck, Impact Measurement and Management, In: [Impact Investing](#), 2023
- OECD, [Towards harmonised management and measurement of impact: the experience of development finance institutions](#), 2021

Also public online pages of several projects and platforms, can be consulted:

- [Impact Management Platform](#)
- [UNDP SDG Impact](#)
- [Impact Frontiers](#)
- [The GIIN Impact Toolkit](#)

With regard to the social experimentation and social innovation scale up methodologies, the following resources could be consulted:

- [Social experimentation. A practical guide for project promoters](#), European Commission, 2022
- [Scaling-up social innovation. Seven steps for using ESF+](#), European Commission, 2022

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

Objectives (expected outcome)

The expected outcome of this call is to promote informed and better investment decisions, greater market transparency, and performance benchmarking, with the objective to promote investments in social purpose entities (social enterprises, social start-up, impact firms, etc.) through enhanced data capabilities services, and impact management tools and practices.

Hence, this call will match the need expressed by many actors in the market, which are showing an increasing data hunger, not enough addressed by current public and private initiatives.

The call's added value is the contribution it will make to overcome the challenges that so far prevented small-case actors to multiply and scale-up, reaching a level of operation that could shift the market towards greater trust, shared/accessible knowledge, and transparency. This is expected to happen through the support provided by this call for proposals, as it will help several players to overcome their limited capacity to give continuity to the much-needed research, development and innovation actions.

Furthermore, following the social innovation logic, which is built on collective intelligence efforts matched with bottom-up and (often) entrepreneurial solutions, this call for proposals will provide the needed support to the development of new solutions (products, services, models, markets, processes etc.) leading to new or improved capabilities and relationships and better use of assets and resources.

At the same time, the overall structure of the call, as also shown by the requirements in terms of the composition of consortia submitting their proposal (see Section 6), revolves around the building blocks of social experimentation projects, where a multi-stakeholder approach is key, especially for needs assessment, mapping and benchmarking of existing solutions.

An additional expected outcome of the call is to overcome the inner tension between innovation or experimentation and business development or growth that are inherent to those actors already delivering services in the field of impact management as well as to those willing to exploit their expertise and know-how approaching the sector. If on the one hand there is a need to develop a business through the launch of a product or service that is easily scalable, on the other hand experimentation processes are highly risky from a business perspective, especially when they are designed in a way that embeds since its inception phase the issue of scalability and growth.

For this reason, the call aims at providing funding to ease a proper and effective balance between experimentation and business development, ensuring not only the beneficiaries will reach a development stage that allows for scaling their activities, but also their ability to extrapolate important and re-usable learnings from such process.

In fact, the final objective of the call is not only to have a new service or product for impact data verification, impact performance intelligence, or for any other knowledge-driven innovation models for better decisionmaking in the social impact investment market, but also that the new product or service that has been designed, developed, piloted and tested, and initially validated by the market, is also ready to be scaled up.

For this reason, ultimate goal of this call for proposals is to ensure the continuity of the actions after the period of Union financing provided for in the Grant Agreement,

and hence the call's results will mainly depend on the achievement of a set of well-defined milestones rather than the positive evaluation of the agreed deliverables.

Themes and priorities (scope)

In the context of this call, because of the innovation and experimentation component above-mentioned, the testing dimension and evaluation and scaling, along with the iterative process, are fundamental aspects of the expected proposals, which priority is to set up or bring at scale marketable innovative solutions for impact data verification, impact performance intelligence, or for any other knowledge-driven innovation models for better decisionmaking in the social impact investment market.

For this reason, on top of specific requirements in terms of consortium composition (see Section 6), market validation is considered a fundamental proxy for assessing the successful alignment of the project's results with the overall themes and priorities of the call.

From this point of view, the scope of the call is set by the fact that social impact has become a key market trend. Some companies are strengthening their social responsibility component, others are even adapting their business models to maximise social impact along with profits, or are adopting socially-oriented policies on their value chains. On the other hand, social enterprises and impact-firms are all about the primacy of the social impact (instead of the profit-seeking approach). An increasing amount of investors is interested in taking into account these practices when called to take an investment decision. However, on both the demand and the supply side, it is not always easy to understand to what extent claims on impact actually reflect the reality. Also, even when impact claims are well supported by independent studies, access to data is often limited. Furthermore, comparability among different companies on their ability to generate intentional social impact is limited too.

The call for proposals will provide support to those actors currently delivering services or products, or those actors able and willing to design and develop new services or products that could help overcome the above-mentioned challenges, which in turn will be instrumental in addressing the impact washing phenomenon, being it intentional or not, and to face the low availability or limited accessibility of quality market signals on actual social impact performance.

In fact, in the market there are already a few actors able to provide social impact management services, including measurement, independent verification, assurance, certification, etc. Some of these companies are also able to benchmark companies against the social impact they generate. Others can provide a social impact outlook to market players, or ranking them based on different variables, including the social impact.

On the other hand, the social impact investing market needs not only currently operating actors to scale and grow, but it requires an increase of the available services and products. Hence this call for proposals also encourages newcomers, which might be newly established companies or businesses working in other sectors but with relevant expertise and skills to develop and deliver successful services and products in this field.

In order to have more and better-informed investment decisions, greater market transparency, and performance benchmarking, the European Commission intends to support these actors, especially because they might face high entry costs and difficulties in accessing the market, and need important investments to scale, as this often requires the adoption of more sophisticated technologies (automated data

gathering through web-scraping techniques, big data analytics through machine learning algorithms, etc.).

Therefore, the themes covered by this call are the provision of enhanced data capabilities services, as well as impact management tools and practices to social purpose entities, with the objective to make them easily available in the market.

Activities that can be funded (scope)

The activities to be funded will be instrumental for designing, experimenting, piloting, validating, developing and/or expanding the above mentioned services, which include – but are not limited to – impact data verification (i.e. the assessment of an investor's impact management practices or impact performance against specific industry standards) and, more broadly, impact performance intelligence services, which in turn comprise the strategies and technologies used by enterprises for the data analysis and management of relevant impact performance information.

Common tools of impact performance intelligence services might include – but are not limited to – reporting, online analytical processing, predictive or prescriptive analytics, dashboard development, data or text mining, process mining, complex event processing, business performance management, benchmarking, rating, and signalling.

Therefore, the activities that can be carried out under this call for proposals are, on the one hand, all those usual activities an entrepreneur would carry out to move from the ideational phase of a service or product to its commercialization (product/service ideation, product/service development, product/service go-to-market, product/service business set up, and product/service business fundraising and growth); on the other hand, given the objective of the call and through a strong experimentation component, activities that can be carried out under this call for proposals relates also to the research, development and innovation activities usually performed to have a product or service that allows the business to scale and grow.

Although more details on the expected activities are explained under the potential deliverables mentioned in the next paragraph, along with the key milestones, the following ones can be indicatively considered as specific activities that can be funded under this call for proposals:

- Brainstorming sessions for idea generation, market research to validate the feasibility of the idea, identification of potential business options, and definition of target customers and their needs
- Market research activities, analysis of strengths and weaknesses of competitors, identification of the unique selling proposition based on the analyses
- Drafting and elaboration of business plans with value proposition, outline of business goals, missions, and vision, definition of the revenue model and pricing strategy, development of the overall financial strategy, including financial projections and preliminary budget
- Legal analysis and consultation for the identification of necessary licenses and permits, negotiation to define ownership, equity distribution, and roles/responsibilities in a new or pre-existing business, establishment of financial contributions, profit/loss distribution, dispute resolution, non-compete and confidentiality agreements, intellectual property rights and ownership, corporate governance and exit strategy

- Definition of operational processes and workflows, identification and planning for necessary equipment and technology, development of guidelines for ongoing operations, performing of required acquisition of or investment in necessary equipment and technology
- Definition and project activities on the goals and objectives of the product or service, outlining of the required features and functionalities, specification of project scope, budget and timeline
- Research and development activities, including experimentation and prototyping activities, along with – if applicable – the definition of the technology framework, design and creation of back-end and front-end software wireframes, development of the architecture and prototypes for user interface, iteration of design processes and gathering of feedback and incorporation of changes
- Product or service development activities through selection of the appropriate technology stack, writing of back-end and front-end code, implementation of features and functionalities as per the design specifications
- Product or service piloting, validation and testing activities, including its development strategy, perform usability testing to extrapolate success factors and learnings to ensure a positive user experience, and – if applicable – identification of bugs and fix
- Product or service launch planning and execution activities, set up of monitoring and exploitation mechanisms of pilot results for deployment, and addressing issues arising during deployment and first phases
- Product or service maintenance and support activities, definition of processes for addressing post-launch issues, updates to be released and new features, including identification of quality long-term support strategies
- Development (design and implementation) of a comprehensive marketing plan, identification of target marketing channels, formulation of brand development and market positioning strategy, creation and execution of sales strategy
- Product or service customer acquisition activities, including planning and implementation (online and/or offline), definition of customer retention actions and programs
- Design of growth plan based on evaluation activities of business processes and based on break-even analysis, assessment of strengths and weaknesses of and fundings needs for expansion opportunities and/or scaling operations

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

Furthermore, applicants are expected to provide a detailed description of the social innovation and experimentation methodology underpinning the product or service development plan in their Application Form – Part B, under 2.1 Concept and methodology.

Proposals to be funded under this call shall have three main milestones, all to be considered strictly instrumental to ensure continuity of the actions after the period of Union financing provided for in the Grant Agreement:

- a. The first milestone consists of the following two alternatives:
 - i. the registration of the new company with the appropriate authorities and according to the laws of the country in which the new entity is legally established⁴;
 - ii. in case there is no new company set up and the parties agree to bring the product or service to the market through an already existing entity part of the consortium, the milestone will be the contract between the parties establishing new corporate structure and relevant clauses of the agreement⁵;
- b. The second milestone consists of a public event where the product/service is officially presented, along with testimonials from at least three new clients, whose status needs to be proved by the underlying signed contracts with specific reference to the product or service acquired;
- c. The third milestone consists of the following three alternatives:
 - i. securing investment capital for the growth of the business; this has to be at least 1.2 times the overall amount of the grant, and should be proved by the related signed investment contracts, which should have as object the transfer of repayable capital (no grant) to the company, being it new or shaped according to the concrete achievement of the first milestone, for the implementation of the business growth plan and its scaling;
 - ii. in case the beneficiary of the grant will not consider investments as a priority for the business growth and scale, a signed joint venture contract with another grant's beneficiary for a common growth strategy based on commercial collaboration and joint business development plan of at least 1.5 times the average duration of the involved parties' projects;
 - iii. in case the beneficiary is considering investing its own resources for the business growth, a reached volume of sales of the product or service of at least 0.4 times the overall amount of the grant, as a proof of investment capacity and market validation, which can be demonstrated either by the company's balance sheets or by the signed sale contracts.

A first required deliverable that must be submitted before reaching the first milestone is the "**Business idea and execution plan**", which should include at least a comprehensive presentation of the business idea and the business model, its development plan with its own milestones, and the expected timeline.

Other indicative deliverables to reach the first milestone could include:

⁴ In this case, and at the time of the achievement of the milestone, it might be necessary for the beneficiaries of the grant to request an amendment of the Grant Agreement, in order to include the newly established entity to be part of the same contractual arrangement, and hence benefit of the funding while being subject of the related obligations.

⁵ These include ownership and equity distribution, roles and responsibilities, financial contributions, profit and loss distribution, dispute resolution, non-compete and confidentiality agreements, intellectual property ownership, corporate governance, and duration and exit of the partnership.

1. A document explaining and validating the business idea: i.e., reporting the activities related to the idea generation and its validation, including different potential business options, validating the feasibility of the idea through market research, and identifying target customers and their needs.
2. A thorough market analysis: i.e., presenting the market research activities and findings, an analysis of strengths and weaknesses of identified actual or potential competitors, and the consequent (based on the market analysis) unique selling proposition.
3. A clear and detailed business planning: including for example the actual business plan with its value proposition, outline of the business goals, mission and vision, the revenue model, the pricing strategy and monetization methods, a gross financial projection, and a preliminary budget, which should point at the overall financial strategy.
4. A comprehensive legal document backing the choice of a suitable business structure: i.e., setting the steps and actions for obtaining necessary licenses and permits, defining ownership and equity distribution, roles and responsibilities, financial contributions, profit and loss distribution, dispute resolution, non-compete and confidentiality agreements, intellectual property ownership, corporate governance, and duration and exit of the partnership.
5. An operations guide: i.e., establishing operational processes and workflows, detailing the planned acquisition of or investments in necessary equipment and technology.

A second required deliverable that must be submitted in view of the achievement of the second milestone is the "**Product or service overview**", which should include along with the product or service value proposition, at least a detailed description of the product or service features and benefits, its underpinning innovation/experimentation methodologies, results and lessons learned from the testing, validation and piloting phase.

Other indicative deliverables to reach the second milestone could be:

1. A report defining the objectives and scope of the product or service to be developed: i.e., the outline of the goals and objectives of the product or service, the features and functionalities required, the project scope, its budget and timeline.
2. A prototyping and design booklet of the product or service: including for example, the underlying technology framework (data acquisition, model computation, data warehouse, etc.), back-end and front-end software wireframes, architecture, and prototypes to visualize the user interface, the designed user experience and user interface, the gathering of feedback and iterative process on the design.
3. The development report: explaining the process followed for the development of the product or service, including – if applicable – the selection of the appropriate technology stack, the writing of the code for back-end and front-end software, and the actual development of the product or service, and the implemented features and functionalities according to the design specifications.
4. A detailed report on the experimentation process, with a focus on the testing and piloting of the beta version of the product or service: including the description and results of a thorough testing to identify and fix bugs, of a performing testing to ensure a positive user experience, and the validation of the product or service against the defined requirements.

5. The deployment phase account report: including the steps and planning for the product or service launch, the description of the piloting's results and the expected deployment of the product or service to the target environment, along with monitoring mechanisms of and addressing measures for any issues that might arise during the deployment phase.
6. The maintenance and support guide: including the ongoing and planned maintenance and support for the product or service, the processes for addressing any issues or malfunction that may arise post-launch, and the planned released updates and new features to enhance the product or service.

A third required deliverable that must be submitted in view of the achievement of the third and final milestone is the "**Business growth plan**", which should include at least a description of replicability, expansion and transferability opportunities as per the findings from the experimentation phase, main financial goals on a 3-year horizon, broken down by quarter and year, and either a marketing plan or a financial plan to determine what capital is accessible during growth.

Other indicative deliverables leading to the third milestone could be:

1. A sales and marketing strategy, which should build on a well-developed marketing plan, the identification of target marketing channels, a brand development strategy, and an actionable sales strategy.
2. A customer acquisition and retention strategy, which should aim at attracting new customers through a customer acquisition plan, build an online and offline presence and define the customer retention strategy on a medium- long-term.
3. A scaling and business growth plan, which should be built upon insights from the experimentation phase and results on replicability, expansion and scalability of the proposed product or service, aiming at exploring opportunities for expansion, and the development of a strategy for scaling operations, including the required funding needs, break-even analysis, or projected financials.

Important: while the above mentioned deliverables and activities have been grouped and listed according to the respective milestones they serve and following a logical order, the chronological order of the milestones, especially the first and second one, is not fixed, and is up to the applicants to define their timeline and order, being possible for instance that on the basis of the applicants plan, needs and strategy, the second milestone could be reached before the first one. What matters for the satisfactory completion of the projects is that all the three milestones are achieved within the duration of the grant.

Expected impact

The expected result of the call is to help fostering innovation and experimentation for populating the social impact investing ecosystem, so to ensure continuity after the end of the grant with more and stronger actors able to bring to the market impact data verification and impact performance intelligence services, and other knowledge-driven innovation models for social impact investing decision-making. Ultimately this should enable more and better-informed investment decisions, greater market transparency, and performance benchmarking. Moreover, this in turn would reduce the space for opportunistic behaviours and information asymmetries, increasing trust among market players and setting the right conditions for the market growth. A stronger, more transparent, and better functioning market for social impact investment is instrumental to deliver on the European Pillar of Social Rights by promoting investments in many of the areas covered by its principles.

3. Available budget

The available call budget is **EUR 4 500 000**.

We expect to fund between 6 to 8 projects.

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

4. Timetable and deadlines

Timetable and deadlines (indicative)	
Call opening:	27 March 2024
<u>Deadline for submission:</u>	<u>04 July 2024 – 17:00:00 CET</u> <u>(Brussels)</u>
Evaluation:	July-September 2024
Information on evaluation results:	October 2024
GA signature:	December 2024

5. Admissibility and documents

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

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

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

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

- **Application Form Part A** — contains administrative information about the participants (future coordinator, beneficiaries and affiliated entities) and the summarised budget for the project (*to be filled in directly online*)
- **Application Form Part B** — contains the technical description of the project (*to be downloaded from the Portal Submission System, completed and then assembled and re-uploaded*)
- **Mandatory annexes and supporting documents** (*templates available to be downloaded from the Portal Submission System, completed, assembled and re-uploaded*):

- detailed budget table/calculator: not applicable
- CVs (standard) of core project team
- activity reports of last year
- list of previous projects (key projects relevant for the subject of the call in the last 3 years) (*template available in Part B*)

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 **40 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 ESF+ or countries which are in ongoing negotiations for an association agreement and where the agreement enters into force before grant signature ([list of participating countries](#))

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

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

Specific cases

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

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

Entities without legal personality — Entities which do not have legal personality under their national law may exceptionally participate, provided that their representatives have the capacity to undertake legal obligations on their behalf, and offer guarantees for the protection of the EU financial interests equivalent to that offered by legal persons⁶.

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'⁷. ⚠ Please note that if the action will be implemented by the members, they should also participate (either as beneficiaries or as affiliated entities, otherwise their costs will NOT be eligible).

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

Countries currently negotiating association agreements — Beneficiaries from countries with ongoing negotiations for participation in the programme (*see list of participating countries 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 (TEU) and Article 215 of the Treaty on the Functioning of the EU (TFEU)*⁸). 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).

- ③ For more information, see [Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment](#).

Consortium composition

Proposals must be submitted by a consortium of at least two (2) applicants (beneficiaries; not affiliated entities), which complies with the following conditions:

⁶ See Article 197(2)(c) EU Financial Regulation [2018/1046](#).

⁷ For the definitions, see Articles 187(2) and 197(2)(c) EU Financial Regulation [2018/1046](#).

⁸ 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](#).

- At least one applicant should be a research centre or entity affiliated with a University;
- At least one applicant should be a private or public investor ; or a support organisation⁹ ;
- The consortium must be made up of applicants based in at least two different eligible countries in order to promote mutual learning and facilitate a transnational dimension.

The rationale of the above-mentioned requirements for the consortium composition reflect the principles stemming from lessons learned on successful experiences in promoting social experimentation and scaling up social innovation, which in turn point, on the one hand, at multi-stakeholders cooperation or collective intelligence / co-creation approaches (hence the role of private or public investors and support organizations), and on the other hand, a strong and methodologically rigorous result-driven mindset (hence the role of research centre or entity affiliated with a University and – again – support organizations).

For example, to strengthen the collective intelligence dimension, or to facilitate the scalability of the product or service, applicants can choose to include an additional partner from a different eligible country than that of potential investor and support organisation. Investors and support organisations can also be from different countries if this makes sense for the achievement of the three milestones.

The role of a support organization is to ensure to the project the required expertise and skills to set up a successful business development and growth plan through its non-financial support. Therefore, the role of the support organisation is expected to be aligned with the core mission of any support organisation. Differently, the role of the public or private investor within the consortium does not necessarily imply actual investment, as within the framework of the project its function is to ensure the design, development and testing of the product or service is aligned with the social impact investment market needs.

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

Eligible activities

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

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

Financial support to third parties is not allowed.

Geographic location (target countries)

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

⁹ Support organisation: An organisation that provides mostly non-financial support to enterprises, in particular business development and investment readiness support. Support organisations include incubators (focussing on new and start-up businesses), accelerators (focussing on existing enterprises) and campuses (providing co-working spaces). In addition, non-financial support is sometimes offered directly by intermediaries.

Duration

Projects should normally range between 24 and 36 months.

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

Project budget

Project budgets (maximum grant amount) are expected to range between EUR 500 000 and EUR 750 000 per project.

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

7. Financial and operational capacity and exclusion

Financial capacity

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

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

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

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

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

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

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

- ① For more information, see [Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment](#).

Operational capacity

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

This capacity will be assessed, on the basis of the competence and experience of the applicants and their project teams, including operational resources (human, technical and other) or, exceptionally, the measures proposed to obtain it by the time the task implementation starts.

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

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

The minimum professional experience requirements are the following:

- The project manager must have 3 years of proven team management activities;
 - The project manager must have at least a C1 language level according to the Common European Framework of Reference for Languages (CEFR) in English;
 - At least one key member of the team must have relevant experience in social impact finance of at least five (5) years;
- Description of the consortium participants
 - Applicants' activity reports of last year
 - At least one applicant or co-applicant needs to provide a list of the projects reflecting work undertaken over the past three (3) years in the design or implementation of social impact intelligence services.

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 participate¹⁰:

- 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 misconduct¹¹ (including if done by persons having

¹⁰ See Articles 136 and 141 of EU Financial Regulation [2018/1046](#).

¹¹ Professional misconduct includes: violation of ethical standards of the profession, wrongful conduct with impact on professional credibility, false declarations/misrepresentation of information,

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 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 rejected if it turns out that¹²:


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

8. Evaluation and award procedure

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

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

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

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

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.

¹² See Article 141 EU Financial Regulation [2018/1046](#).

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 will be 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 the proposal matches the themes and priorities and objectives of the call; European/trans-national dimension; possibility to use the results in other countries; potential to develop mutual trust/cross-border cooperation; the extent to which the project identifies and actively plans to deliver product or service at European level; the extent to which the proposal is planning to use in new context existing knowledge and experience at EU/national level or to propose innovative approaches (Max. 20 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) (Max. 25 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 (Max. 20 points)
- **Impact:** ambition and expected long-term impact of results on target groups/general public; appropriate dissemination strategy for ensuring sustainability and long-term impact; sustainability of results after EU funding ends (Max. 30 points)

Award criteria	Minimum pass score	Maximum score
Relevance	17	25
Quality — Project design and implementation	17	25
Quality — Project team and cooperation arrangements	14	20
Impact	22	30
Overall (pass) scores	70	100

Maximum points: 100 points.

Individual thresholds per criterion: 17/25, 17/25, 14/20 and 22/30 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 budget (i.e. up to the budget ceiling). Other proposals will be rejected.

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

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

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

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

Milestones and deliverables

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

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

Starting date and project duration

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

Project duration: *see section 6 above*.

Form of grant, funding rate and maximum grant amount

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

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

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

The costs will be reimbursed at the funding rate fixed in the Grant Agreement (**85%**).

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).

In particular, the final grant amount may be reduced proportionally up to 20% in case the milestone 3 requirements are not completely and satisfactorily achieved within the duration of the project.

Budget categories and cost eligibility rules

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

Budget categories for this call:

- A. Personnel costs
 - A.1 Employees
 - A.2 Natural persons under direct contract
 - A.3 Seconded persons
- B. Subcontracting costs
- C. Purchase costs
 - C.1 Travel and subsistence
 - C.2 Equipment
 - C.3 Other goods, works and services
- E. Indirect costs (n/a for OG)

Specific cost eligibility conditions for this call:

- personnel costs:
 - SME owner/natural person unit cost¹³: No
 - volunteers unit cost¹⁴: No

¹³ 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)7115).

- travel and subsistence unit cost¹⁵: Yes
- equipment costs: depreciation
- other cost categories:
 - costs for financial support to third parties: not allowed
- indirect cost flat-rate: 7% of the eligible direct costs (categories A-D, except volunteers costs and exempted specific cost categories, if any)
- VAT: non-deductible VAT is eligible (but please note that since 2013 VAT paid by beneficiaries that are public bodies acting as public authority is NOT eligible)
- other:
 - In-kind contributions for free are allowed, but cost-neutral, i.e. they cannot be declared as cost
 - Kick off meeting: costs for kickoff 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
 - other ineligible costs: No

Reporting and payment arrangements

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

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

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

¹⁴ Commission [Decision](#) of 10 April 2019 authorising the use of unit costs for declaring personnel costs for the work carried out by volunteers under an action or a work programme (C(2019)2646).

¹⁵ 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).

70%, the amount of the new prefinancing payment will be reduced by the difference between the 70% ceiling and the amount used


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

There will be no interim payments.

Payment of the balance

At the end of the project, we will calculate your final grant amount, considering the possible reductions of the grant as described above. If the total of earlier payments is higher than the final grant amount, we will ask you (your coordinator) to pay back the difference (recovery).

All payments will be made to the coordinator.

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

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

Prefinancing guarantees

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

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

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

Prefinancing guarantees are normally requested from the coordinator, for the consortium. They must be provided during grant preparation, 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 (*art 23*).

Certificates

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

Liability regime for recoveries

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

For beneficiaries, it is limited joint and several liability with individual ceilings — *each beneficiary up to their maximum grant amount*.

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

Provisions concerning the project implementation

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

- rights of use on results: Yes

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

- additional communication and dissemination activities: Yes

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

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

Other specificities

n/a

Non-compliance and breach of contract

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

- ① 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 to the following email address:

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

 Please:

- send your questions at the latest 7 days before the submission deadline (*see section 4*)
- indicate clearly the reference of the call and topic to which your question relates (*see cover page*).

13. Important



IMPORTANT

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

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

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

- **Balanced project budget** — Grant applications must ensure a balanced project budget and sufficient other resources to implement the project successfully (*e.g. own contributions, income generated by the action, financial contributions from third parties, etc*). You may be requested to lower your estimated costs, if they are ineligible (including excessive).
- **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).
- **No cumulation of funding/no double funding** — It is strictly prohibited to cumulate 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 be declared under two EU grants. If you would like to nonetheless benefit from different EU funding opportunities, projects must be designed as different actions, clearly delineated and separated for each grant (without overlaps).
- **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 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 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 the others (or they will be rejected).
- **Resubmission** — Proposals may be changed and re-submitted until the deadline for submission.
- **Rejection** — By submitting the application, all applicants accept the call conditions set out in this Call Document (and the documents it refers to). Proposals that do not comply with all the call conditions will be **rejected**. This applies also to applicants: All applicants need to fulfil the criteria; if any one of them doesn't, they must be replaced or the entire proposal will be rejected.
- **Cancellation** — There may be circumstances which may require the cancellation of the call. In this case, you will be informed via a call or topic update. Please note that cancellations are without entitlement to compensation.
- **Language** — You can submit your proposal in any official EU language (project abstract/summary should however always be in English). For reasons of efficiency, we strongly advise you to use English for the entire application. If you need the call documentation in another official EU language, please submit a request within 10 days after call publication (for the contact information, see *section 12*).

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

This includes:

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

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

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