



# **ERDF Interregional Innovation Investments (I3) Instrument**

## Call for proposals

Financial and advisory support for investments in interregional innovation projects for the development of value chains in less developed regions;  
(Strand 2a)  
(I3-2024-INV2a)

Version 1.0  
6 June 2024



<b>HISTORY OF CHANGES</b>			
<b>Version</b>	<b>Publication Date</b>	<b>Change</b>	<b>Page</b>
1.0	06.06.2024	Initial version.	



## EUROPEAN INNOVATION COUNCIL AND SMEs EXECUTIVE AGENCY (EISMEA)

EISMEA.I – Innovation ecosystems, SMP/Entrepreneurship and Consumers  
EISMEA.I.01 – EU and place-based Innovation Ecosystems

### CALL FOR PROPOSALS

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## 0. Introduction

This is a call for proposals for EU **action grants** in the field of the Interregional Innovation Investments (I3) Instrument under the European Regional Development Fund (**ERDF**).

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

- Regulation 2018/1046 ([EU Financial Regulation](#))
- the basic act (ERDF Regulation [2021/1058](#)<sup>1</sup>).

The call is launched in accordance with the 2023-2024 I3 Instrument Work Programme<sup>2</sup> and will be managed by the **European Innovation Council and SMEs Executive Agency (EISMEA)** ('Agency').

The call covers the following **topic**:

**I3-2024-INV2a - Financial and advisory support for investments in interregional innovation projects for the development of value chains in less developed regions (Strand 2a)**

**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, and scope of the I3 Instrument
  - activities eligible for funding, expected impact, results, outcomes and key performance indicators (sections 1 and 2)
  - available budget and timeline (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

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<sup>1</sup> Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund (OJ L 231, 30.6.2021, p. 60–93).

<sup>2</sup> Commission Implementing Decision C(2023) 780 final of 6.02.2023 on the financing of the Interregional Innovation Investments Instrument by the European Regional Development Fund and the adoption of the work programme for 2023 - 2024.

- 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 following websites: [I3 Instrument](#), [S3 Community of Practice](#), [S3 Thematic Platforms & Partnerships](#). The previously funded running I3 Instrument projects can be consulted on the [EU Funding & Tenders Portal](#).

## 1. Background

**The Interregional Innovation Investments (I3)** Instrument is a funding instrument under the [European Regional Development Fund \(ERDF\) regulation \(article 13\)](#). It aims at supporting interregional innovation projects which bring innovative ideas to a mature investment level, ready for commercialisation and scale-up.

The general objective of the I3 instrument is to promote innovation, and innovation diffusion, and the reinforcement of EU and regional value chains, through cooperation on the basis of shared priorities and complementary capabilities.

Project proposals should aim at supporting **predefined** portfolios of **interrelated and mature** interregional innovation investments in different regions and based on shared or complementary Smart specialisation (S3) priority areas; and to support the demonstration, market uptake and scaling up of mature innovations to be brought on the market.

An interregional investment is a combination of assets (time, money, effort, etc.) or items mobilised across borders with the view to generate income and/or to create future value for more than one region. It is a concrete concept to develop innovation and valorise available research results in a specific value chain.

Proposals to be submitted through this call could result from projects funded under the I3 Capacity Building Strand 2b or implemented under other regional and EU programmes, such as [ERDF](#) funded national and regional or Interreg programmes, [Horizon Europe](#) and [Digital Europe Programme](#) and have the opportunity to scale-up and to go for commercialisation under the I3 Instrument.

In accordance with the 2021-2027 ERDF Regulation, the 2023-2024 I3 work programme covers the following key intervention areas and Strands:

*Strand 1* targets consortia of innovation actors from regions (of different levels of development and innovation performance) with shared or complementary smart specialisation areas, which are ready to make investments in interregional innovation projects.

*Strand 2a* focuses on supporting interregional innovation investments aiming at developing value chains in less developed regions and reinforcing the integration of innovation actors in EU value chains.

*Strand 2b* aims to strengthen regional innovation ecosystems and build their capacity to develop business cases for interregional innovation projects.

For an overview of the respective objectives and type of projects supported under Strands 1 and 2a please see section 13.

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

- **Topic: I3-2024-INV2a - Financial and advisory support for investments in interregional innovation projects for the development of value chains in less developed regions; (Strand 2a)**

### 2.1 Objectives

This call is for **Strand 2a** and focuses on reinforcing the integration of innovation actors from less developed regions in developing EU value chains<sup>3</sup> while creating local opportunities for innovation and smart economic transformation in regions with shared (or complementary) smart specialisation areas.

The objective of the I3 Instrument Strand 2a call for proposals is to support interregional innovation investments by offering consortia of innovation actors from the quadruple helix ecosystems<sup>4</sup> the necessary **financial and advisory support** to bring their innovations to a more mature level, ready for commercialisation and scale-up, while bridging and reducing the innovation divide in Europe with a strong cohesion policy focus of integrating all regions and in particular the less developed regions into European value chains.

Thereby, applications under this call seek to facilitate:

- the support of innovation actors with investment ideas that are ready to be developed into mature business cases;
- the identification of new regional technological domains and market opportunities with the EU priorities and bridging the gap between the supply and demand sides to help innovation ecosystems overcome market failures
- the creation of new value chains in less developed regions and the integration into interregional and cross-border value chains with more developed regions;
- the application and the deployment of innovative technologies and solutions in less developed regions;
- the interaction and collaboration of SMEs from less developed regions in interregional/multi-national value chains and with innovation actors from more developed regions.

The focus is on technology transfer and highly specialised advisory support for the implementation of experiments and demonstration cases in companies. Participation of innovation actors is based on shared or complementary innovation priorities, as defined in their regional and/or national smart specialisation strategies. Projects shall show a

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<sup>3</sup> The term "value chain" is associated with both, a set of interdependent economic activities creating added value around a product, process or service, and a group of interlinked economic actors, operating in a strategic network across firms of different sizes, including SMEs, sectors and borders. (Strategic Forum for Important Projects of Common European Commission: Report of the Strategic Forum for Important Projects of Common European Interest)

<sup>4</sup> A well performing quadruple-helix ecosystem usually implies a network model with an exchange of skills, knowledge, business ideas and money between companies, public research institutions, financial institutions, government bodies (at different levels) and final users.

balanced participation of regions with varying levels of development and innovation performance.

I3 Instrument business investment cases start with a **minimum TRL 6**<sup>5</sup> and have the ambition to facilitate demonstration and to accelerate market uptake and commercialisation. The development of the business and investment cases is facilitated by the regional innovation ecosystems with companies in the lead.

The support to be provided shall be (a) financial (through direct funding of consortium's beneficiaries or through cascade funding/financial support to third parties (FSTP)) or (b) nonfinancial (e.g. coaching, mentoring, matchmaking activities). See section 2.3 for conditions and details.

## 2.2 Themes and priorities

Applications under this call for proposals must address one of the following thematic priorities:

- (i) Digital transition or
- (ii) Green transition or
- (iii) Smart manufacturing

Each project application under this call must address one thematic priority.

### **(i) Digital transition**

Digital technologies present an enormous growth potential for Europe. In line with the Europe fit for the digital age priority<sup>6</sup>, this thematic priority targets investments in businesses and public administrations (notably in the part related to the innovation sector) with regards to the digital transition. Projects will unlock the potential for digital growth, deploying innovative solutions that improve accessibility and efficiency of services (both for businesses and citizens) while bridging the digital divide.

This thematic priority encourages applications in one or more or a combination of the following investment areas (non-exhaustive list):

#### **a. Digital economy innovation**

- The deployment of innovative solutions for businesses digitalisation and digital services, including the use of artificial intelligence;
- ICT up-take in SMEs applied to traditional and emerging sectors; B2B; B2C; Customer to Customer, including infrastructures and services (digital innovation hubs, living labs, etc.);
- Demonstration of innovative digital technologies in view of the commercialisation of research results and a better integration in EU value chains;
- User driven innovation and valorisation of traceability and big data;
- Companies reinforcing EU cybersecurity value chain and protecting from hacking, ransomware and identity theft;

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<sup>5</sup> [https://ec.europa.eu/research/participants/data/ref/h2020/wp/2014\\_2015/annexes/h2020-wp1415-annex-g-trl\\_en.pdf](https://ec.europa.eu/research/participants/data/ref/h2020/wp/2014_2015/annexes/h2020-wp1415-annex-g-trl_en.pdf)

<sup>6</sup> [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age_en)



- “Digital based” open innovation, supporting entrepreneurial discovery processes and cooperation between academia and businesses in the framework of smart specialisation;
- Digital skills for companies adopting innovative digital technologies (upskilling and reskilling) in the framework of investments relevant for Smart Specialisation.

#### **b. Digital transformation of public administration and public services**

- New or significantly upgraded services for e-government, including the take-up of Europe wide interoperable services which improve the efficiency of services delivered by public administrations to citizens, companies and other public bodies by using information and communication technologies such as artificial intelligence and cybersecurity;
- Investments in innovative solutions helping administrations to make services user-friendly, accessible and more interoperable. Those investments might include the demonstration of the validity of new digital technologies in view of the large-scale adoption of new IT systems, e.g. technologies for digitalisation in the health care system.

#### **(ii) Green transition**

Turning climate and environmental challenges into opportunities is the ambition of the green transition. The [European Green Deal](#)<sup>7</sup> has the goal to make Europe a resource-efficient and competitive economy, while reducing EU reliance on fossil fuels. In this framework, the EU has set targets to reach climate-neutrality by 2050. This will require substantial investments. This thematic priority intends to support innovative value chain investments, to boost the economy through green technology and to create sustainable industry/transport.

It also intends to provide support to interregional investments in sustainable food systems, sustainable agriculture, clean energy, sustainable industry, building and renovating, sustainable mobility and eliminating pollution.

This thematic priority encourages applications in one or more or a combination of the following investment areas (non-exhaustive list):

- Innovative investments in decarbonisation, reducing greenhouse gas emissions and contributing to improve air quality, health and wellbeing;
- Innovative investments in SMART cities;
- Innovative business investments related to smart, sustainable/efficient transport solutions and/or alternative fuels;
- Investments in the management of natural resources, including the use of recycled materials, especially construction materials, plastics and textiles, to stimulate demand for secondary markets raw materials;
- Business investments in renewable energy and energy efficiency to make industry more sustainable;
- Business investments related to energy efficiency in buildings;

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<sup>7</sup> [https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal\\_en](https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en)

- Business investments related to a sustainable blue economy, contributing to the coastal protection;
- Business investments in circular economy to replicate and scale up successful circular economy solutions, which can generate EU added value;
- Investments in bioeconomy, efficient and sustainable agriculture and forestry, innovation in marine/ maritime and inland water sustainable solutions;
- Investments in sustainable business models and alternative modes of production and consumption (e.g. leasing, repair, modular design, industrial symbiosis...).

### **(iii) Smart manufacturing**

This thematic priority focuses on improving the delivery of new or improved products, processes or services in the manufacturing industry and fostering a circular economy approach. In the context of advanced manufacturing; knowledge and innovative technologies are used to produce complex products and improve processes to lower waste, pollution, material consumption and energy use. Robotics, 3D and 4D printing, artificial intelligence as well as high performance computing for modelling are important elements in advanced manufacturing.

This thematic priority supports interregional innovation investments for the uptake of new or improved manufacturing solutions, as well as for supporting industry to face the challenge of digitalisation and to promote the shift towards a more environmentally sustainable production (zero pollution ambition for a toxic-free environment). This thematic priority encourages applications in one or a combination of the following investment areas (a non-exhaustive list):

- Demonstration processes, i.e. helping new products to reach the market faster or having more efficient and sustainable processes adopted by the industry;
- Valorisation of research results and practical applications for innovation diffusion. This might include the active involvement of ecosystems and the co-creation process with stakeholders and end-users;
- Connecting or making complementary use of testing and demonstration facilities at interregional level. In this framework, synergies with circularity hubs are encouraged;
- Improving the use of natural resources and in the reuse of materials, promoting circularity models (de- and remanufacturing) and investments in carbon neutrality;
- Specific implementation (including funding) strategies, ensuring the participation of all stakeholders (industry, SMEs, local authorities, educational institutions and civil society);
- Implementation of interregional demonstration cases to test and replicate the results;
- Innovation diffusion and involvement of SMEs in EU value chains.

#### *Expected impact (non-exhaustive)*

#### **FOR ALL THREE THEMATIC PRIORITIES!**

Expected impact at the closure of the project (non-exhaustive list)

- Creation of new value chains in less developed regions;

- Application and deployment of innovative technologies and solutions (new to the region) in less developed regions (innovation diffusion);
- Exploitation of research results;
- Innovative technologies tested and adopted by companies and public administration<sup>8</sup>;
- Innovative solutions deployed improving businesses confidence, competences and means to digitalise and grow;
- Contribution to digitisation and health systems transformation, through various types of innovation and the supply of IT services;
- Uptake of technologically/economically reliable and viable solutions on the market;
- Deployment of new green and digital technologies fostering the growth of Europe's manufacturing sector;
- Innovative technologies adopted by SMEs;
- Identification of possible sources of funding/funding mix, to cover the residual investment needs (public-private partnerships for the deployment of innovation, the collaboration with venture capitals, EIB group loans etc)
- Strengthening innovation diffusion channels;
- Reinforcing the capacity of regions to co-invest together, joining forces on common S3 investment priorities (interregional investments).

Long-term impact (non-exhaustive list):

- Reduction of the innovation divide and of disparities between more developed and less developed regions;
- Increased companies' productivity and efficiency;
- Improved user-friendly, accessible and interoperable public services;
- Improved level of digital skills;
- Improved EU innovation capacity and competitiveness;
- Creating new market opportunities for EU companies;
- Making the EU industry more efficient and sustainable;
- Improved way of living and of doing business;
- Increased social and territorial cohesion as well as personal well-being ;
- Improved education and vocational training systems (indirectly);
- Reinforcing/reshaping EU value chains whilst increasing EU competitiveness in global markets;
- Unlocking the innovation potential of EU regions/countries;
- Contributing to the European Green Deal objectives;
- Positive impact on environment, health, climate, social and economy;
- Contribution to the twin transition and to the efficiency, sustainability and competitiveness of the EU manufacturing sector;
- Economic growth and job creation;
- Reinforcing/reshaping EU value chains whilst increasing the competitiveness of the EU in global markets.

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<sup>8</sup> - minimum TRL 6 with the ambition to facilitate demonstration and to accelerate market uptake and commercialisation, see section 2.4.

### 2.3 Activities that can be funded (scope) – under all thematic priorities:

Projects selected under this call for proposals will be implemented through an investment portfolio approach, which foresees the identification, within a specific thematic/technological area of cooperation, of a number of investment-ready sub-projects that address one or several bottlenecks in a value chain identified in the application. These sub-projects are necessary to accelerate the uptake of innovation, thus increasing the competitiveness of EU value chains.

The project application must clearly describe the progress from innovation towards commercialisation and upscaling that is expected as a result of the project and its investment portfolio.

The project application must also provide an outline of an exploitation plan that sets out the expected way forward following the completion of the project, in particular, if the new products/processes or services supported by the I3 Instrument are not yet ready for the market.<sup>9</sup>

Target investments can be both **tangible and intangible**<sup>10</sup> investments in the form of one or more of the **following activities**:

- Financial support for producing plans and arrangements or designs for new, altered or improved products, processes or services such as demonstrating, testing and piloting activities by companies, large-scale product validation and market replication (new to Europe and new to the application sector);
- Adaptation of existing prototypes (i.e., by combining two or more key enabling technologies) and tailoring them to the companies' needs for the demonstration in a real environment (ex-novo prototyping is not eligible);
- Development of portfolios of projects for close-to-market investments that deploy new or improved technologies or processes;
- Activities directly aiming at producing plans, arrangements or designs for new, altered or improved products, processes or services (adaptation to the companies' needs). This can include testing, demonstration, piloting, large-scale product validation and market replication;
- Activities connecting or making complementary use of testing and demonstration facilities<sup>11</sup> to accelerate market uptake and scale-up of innovative solutions in shared smart specialisation areas;
- Innovation services for the development of the business investment interconnecting value chains;
- Test beds and complementary activities needed to improve regulations, standards and/or to remove barriers and bottlenecks to innovation;
- Activities bringing innovative ideas and new products to the market;
- Advisory support for investment (developing or implementing interregional business and "go to market" investment plans in specific value chains).

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<sup>9</sup> the consortium can use the "Innovation Radar" (<https://innovation-radar.ec.europa.eu/>) to explore value creation opportunities, the technology readiness, as well as the business and the market readiness of the innovation.

<sup>10</sup> e.g. IPR, know-how, licensing

<sup>11</sup> Depreciation costs for testing and demonstration facilities, as well as costs for the use of existing infrastructures.

**Support actions** for networking, for testing new approaches for better innovation support or for enhancing services to SMEs (through collaboration, peer-learning or matchmaking, etc.) are also encouraged, particularly when aimed at replicating project outcomes in less developed regions. **These support actions will only be eligible in combination with the implementation of the tangible and intangible investment listed above**<sup>12</sup>.

This I3 Instrument Strand 2a call for proposals **will not support activities that do significant harm to environment objectives** within the meaning of Article 17 of the EU Taxonomy Regulation. I3 funding therefore cannot be awarded to projects that do not comply with this principle (e.g. any proposal dedicated to increase the efficiency of fossil fuel technologies or of fossil fuels). Applicants will need to verify that their proposal complies with this requirement.

Activities (financial and non financial support) should reflect a balanced participation of project partners from regions with varying levels of development and innovation performance, with a strong emphasis on supporting and leveraging the potential of less developed regions and other categories of regions (such as EU outermost regions or regions with specific challenges). Involvement of these regions should be reflected both in terms of balanced budget distribution and ensuring their participation results in concrete benefits for these regions.

### **Use of Financial Support to Third Parties (FSTP)**<sup>13</sup>

I3 projects are primarily implemented by the consortium partners, in line with the project application. FSTP can and should be used to enable cascade funding where it offers an added benefit, e.g. in facilitating the involvement of SMEs, fostering replication and innovation diffusion.<sup>14</sup>

However, FSTP is only allowed under the following conditions:

- Based on publication of one or more open call(s) that shall contribute to the objectives of the project;
- the maximum amount of financial support for each third party ('recipient') may not exceed EUR 60,000;
- the direct recipients of the financial support must be SMEs that are established in the regions covered by the consortium or in other less developed regions or outermost regions.
- the calls must be open, published widely and conform to EU standards concerning transparency, equal treatment, conflict of interest and confidentiality;
- the calls must remain open for at least 2 months;
- the outcome of the call(s) must be published on the participants' websites, including a description of the selected projects, award dates, project durations, and final recipient legal names and countries;
- the costs for Financial Support to Third Parties (i.e. SMEs) cannot exceed 30% of the total eligible costs;

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<sup>12</sup> The relevance, quality, cost effectiveness and impact of the proposed support actions will be evaluated according to the conditions laid down in the call document.

<sup>13</sup> See also section 6 for eligibility conditions.

<sup>14</sup> FSTP is a mechanism that allows funding to beneficiaries that are not identified in the Grant Agreement as members of the eligible consortium (see section 6 for details).

- Financial Support to Third Parties may only aim at supporting SMEs able to deliver tasks with added value to the project e.g., to complete a specific value chain and/or to offer a specific groundwork for testing and optimising products and production processes, or for the exploration of new processing technologies.

If the proposal includes Financial Support to Third Parties, it must specify why financial support to third parties is needed and how it will be managed. It also has to include estimates of the proportions of financial support allocated to third parties across various types of regions<sup>15</sup>. The proposal must also describe the results to be obtained and the expected effects on the innovation ecosystems of the participating regions.

### **Specific requirements**

- **At least 70%** of the total eligible costs must be allocated to investments in companies, with a focus on SMEs. The proposal shall describe how this requirement will be met, specifying the total eligible costs for:
  - SME Consortium partners
  - Financial Support to Third Parties (FSTP)
  - non-financial support provided to the SMEs of the portfolio.
- **At least 50%** of the total eligible costs shall be incurred in less developed regions by consortium partners (and 3<sup>rd</sup> parties if FSTP is included. In case FSTP is used, the proposal shall describe how this requirement will be met.)

Proposals have to demonstrate a comprehensive strategy for ensuring active participation of legal entities from less developed/transition/outermost regions, alongside specific measures for enhancing their active involvement and contribution to the consortium's objectives. This should include plans for replication of results in participating regions and engagement of relevant regional authorities for sustainable impact.

### **Interaction with the S3 Community of Practice**

Applicants are encouraged to actively engage with the wider community, in particular in the framework of the Commission [Smart Specialisation Community of Practice \(S3 COP\)](#) and relevant [Thematic Smart Specialisation Partnerships](#) (TSSP).

S3 CoP is the central node on guidance, networking, support, and peer learning on Smart Specialisation within the EU. It offers policy advice, support to thematic platforms and partnerships and targeted support to regions which in turn facilitate links between innovation actors across all the regions.

Thematic Smart Specialisation Partnerships (TSSPs) foster interregional cooperation by bringing together regions to explore new value chains based on shared interests in smart specialisation strategies which facilitates finding partners for formulating funding proposals.

### **Interaction with the S3 managing authorities**

Projects must try to actively involve the managing authorities of ERDF programmes and the authorities responsible for S3 in the regions during the implementation. This includes, among other, the organisation of meetings and information events with the S3 managing authorities of the regions that are represented in the consortium by the

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<sup>15</sup> More developed, less developed, transition and outermost regions.

applicants. Applicants must therefore describe the approach on how S3 managing authorities will be involved during project implementation.

### **Open Science Approach**

An open science policy approach will be supported under this I3 instrument call for proposals in the following way:

*During the implementation of the project:*

Beneficiaries are required to make their project results available in open access and make their data as open as possible and as closed as necessary. Open science requires research data to be fair and open by default (with exceptions e.g. for commercial purposes). The programme also recognises and rewards the participation of citizens and end users in co-design and co-creation processes where needed. Taking into account the need to balance openness with the protection of project results (intellectual property rights, privacy concerns, security, as well data management issues) in view of the commercialisation, I3 projects are required to develop in the beginning of their project implementation a **data management plan**, in which they will specify which project results will be open (publicly available) and which ones will be privately used with the proper justification.

*After the end of the project:*

Beneficiaries are required to comply with the objectives of the open science in line with their data management plan and their dissemination plan.

The action aims at generating and developing a portfolio of investments and individual sub-projects to be complemented by third parties, namely the end-beneficiaries. In this framework, Financial Support to Third Parties can be used to complement the value chain of the companies (main investors) that are partners of the consortium.

#### 2.4 Key Performance Indicators (KPIs) – at project level:

The following Key Performance Indicators (KPIs) have been identified (where applicable):

#### **Location - Interregional dimension**

- Number of regions involved in the value chains (NUTS1, NUTS2 - less developed/more developed/transition/outermost region);
- The interregional character of the project, considered at portfolio level (quadruple helix stakeholders from different regions participating in the investment portfolio).

#### **Type of project participants**

- Type of organisations representing both demand and supply side: SMEs and start-ups, public authorities, universities, research and technology organisations, Industry and large companies, intermediaries (regional development agencies, innovation agencies, cluster organisations, business associations, etc), civil society and end users, associations and interest groups, other.

## **Innovation**

- Innovation maturity-technology readiness: TRL at project start (minimum TRL 6), TRL at project end (TRL 7-9);
- Innovation maturity-business readiness: infrastructure and equipment/skills, financial commitment to co-invest, standardisation and certification, other

## **Socio-economic benefits**

At the end of the project:

- Number of value chain investments in the portfolio;
- Number of new regions/regional ecosystems integrated into the value chain;
- Number of companies involved in the value chain;
- Number of SMEs involved in the value chain.

## **Employment**

At the end of the project:

- Number of jobs created (FTE) (male, female, non-binary)

## **Investments**

At the end of the project:

- Investment dimension: Regional, National, European, International;
- Investments mobilised: Private financing mobilised (in EUR), Public financing mobilised (in EUR), Total investment mobilised (in EUR).

## **IPR dimension**

At the end of the project:

- Number of patents exploited or valorised;
- Number of licences;
- Number of designs;
- Number of trademarks;
- Number of geographical indications;
- Number of copyrights, trade secrets, NDAs exploited or valorised.

## **Gender<sup>16</sup> (Persons reached)**

At the end of the project:

- Number of persons reached: male, female, non-binary

## **3. Available budget**

The estimated total available call budget for 2024 is **EUR 36 million**.

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.

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<sup>16</sup> [The EU Gender Equality Strategy 2020-2025](#)



#### 4. Timetable and deadlines

Timetable and deadlines (indicative)	
Call opening:	06 June 2024
Deadline for submission:	<u>05 December 2024 17:00:00 CET</u> (Brussels)
Evaluation:	December 2024 – April 2025
Information on evaluation results:	May 2025
GA signature:	August 2025

#### 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*)
- Application Form Part C contains additional project data (*to be filled in directly online*)
- **mandatory annexes and supporting documents** (*templates available to be downloaded from the Submission System, completed, assembled and re-uploaded*):
  - Detailed budget table (*template available in the Submission System*)
  - CVs (short outlines) of core project team (*no template available*)
  - Outline of a project dissemination plan (in particular for knowledge-sharing and replication) (*no template available*)
  - Outline of a project exploitation plan (in view of commercialisation and up-scaling) (*no template available*)
  - Self-declaration, **only from the Coordinator** to confirm the alignment with the national/regional S3 policies, strategies and priorities of all Member States and Regions represented by organisations participating in this application (*template available in the Submission System*).


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 **70 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 description of the thematic priority for which they are submitted.

### ***6.1 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 I3 Instrument 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](#)).

Applicants 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 official establishing 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 persons<sup>17</sup>.

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'<sup>18</sup>.  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 for participating 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)*<sup>19</sup> and entities covered by Commission Guidelines No [2013/C 205/05](#)<sup>20</sup>). 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

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<sup>17</sup> See Article 197(2)(c) EU Financial Regulation [2018/1046](#).

<sup>18</sup> For the definitions, see Articles 187(2) and 197(2)(c) EU Financial Regulation [2018/1046](#).

<sup>19</sup> 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](#).

<sup>20</sup> Commission guidelines No [2013/C 205/05](#) on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards (OJEU C 205 of 19.07.2013, pp. 9-11).

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](#).

### 6.2 Consortium composition

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

- at least three independent legal entities established in three different regions<sup>21</sup> in at least two eligible countries;
- The consortium shall represent at least one more developed region and must have a strong involvement of less developed regions and focus on their needs<sup>22</sup>.

The consortium coordinator must be a:

- Public body or
- entity entrusted by national or regional governments to develop or implement innovation and investment actions for SMEs (i.e. a cluster organisations, development agencies, or innovation agencies etc.).

### 6.3 Eligible activities

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

The following activities are NOT eligible for funding under this call for proposals:

- activities that are excluded from the scope of the ERDF according to Article 7 of the ERDF Regulation
- activities that do not comply with the “do no significant harm principle”, as defined in section 2

Projects may take into account the results of projects supported by other 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*).

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<sup>21</sup> Stage of development of EU regions can be found by using the interactive map at [https://ec.europa.eu/regional\\_policy/policy/how/is-my-region-covered\\_en](https://ec.europa.eu/regional_policy/policy/how/is-my-region-covered_en)

<sup>22</sup> Proposals have to demonstrate a comprehensive strategy for ensuring equitable participation of legal entities from less developed/transition/outmost regions, alongside specific measures for enhancing their active involvement and contribution to the consortium's objectives. This should include plans for replication of results in participating regions and engagement of relevant regional authorities for sustainable impact.

#### 6.4 Geographic location (target countries)

Proposals must relate to activities taking place in the eligible countries (*see above*) and regions covered by the consortium. For FSTP, activities can also take place in other less developed regions or in outermost regions.

#### 6.5 Duration

Projects are expected to range between 18 and 36 months. Extensions are possible, if duly justified and through an amendment.

#### 6.6 Project budget

Project budgets (maximum grant amount) are expected to range between EUR 2 million and EUR 10 million per project, but this does not preclude the submission/selection of proposals requesting other amounts, if duly justified in the application. The grant awarded may be lower than the amount requested.

The costs for financial support to third parties cannot exceed 30% of the total eligible costs.

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

#### 7.1 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 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](#).

### 7.2 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.

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

- general profiles (qualifications and experiences) of the staff responsible for managing and implementing the project
- description of the consortium participants

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

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

### 7.3 Exclusion

Applicants which are subject to an **EU exclusion decision** or in one of the following **exclusion situations** that bar them from receiving EU funding can NOT participate<sup>23</sup>:

- bankruptcy, winding up, affairs administered by the courts, arrangement with creditors, suspended business activities or other similar procedures (including procedures for persons with unlimited liability for the applicant's debts)
- in breach of social security or tax obligations (including if done by persons with unlimited liability for the applicant's debts)

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<sup>23</sup> See Articles 136 and 141 of EU Financial Regulation [2018/1046](#).

- guilty of grave professional misconduct<sup>24</sup> (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- committed fraud, corruption, links to a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- shown significant deficiencies in complying with main obligations under an EU procurement contract, grant agreement, prize, expert contract, or similar (including if done by persons having powers of representation, decisionmaking 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, decisionmaking 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, decisionmaking 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 that<sup>25</sup>:

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

## 8. Evaluation and award procedure

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

An **evaluation committee** 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:

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<sup>24</sup> Professional misconduct includes: violation of ethical standards of the profession, wrongful conduct with impact on professional credibility, false declarations/misrepresentation of information, participation in a cartel or other agreement distorting competition, violation of IPR, attempting to influence decision-making processes or obtain confidential information from public authorities to gain advantage.

<sup>25</sup> See Article 141 EU Financial Regulation [2018/1046](#).

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

- 1) Geographical diversity, defined as the number of less developed regions represented in the proposal, not receiving funds from higher ranked projects.
- 2) Proposals focusing on a thematic priority that is not otherwise covered by higher ranked projects.
- 3) 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'.
- 4) If this does not allow to determine the priority, a further prioritisation can be done by considering the gender balance among the personnel named in the proposal who will be primarily responsible for carrying out the innovation activities. The reference to gender equality plans in participating organisations can also be considered.
- 5) Any further prioritisation can be done by considering the creation of positive synergies between projects and involvement of SMEs or other factors related to the objectives of this call for proposals. These factors will be documented in the panel report.

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 issues raised by 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:

- 1. Relevance (10 points):** extent to which the proposal matches the objectives of the I3 instrument and call (see Sections 1 and 2), notably regarding the integration of less developed regions in EU value chains and fostering innovation in these regions; relevance of the proposed innovation (product, process,



marketing, organisational) in terms of novelty and ambition for the selected thematic area; addressing specific needs and challenges of outermost regions or challenges that are specific and unique for regions involved in the project, such as difficulties in retaining and attracting talents.

- 2. Quality (5 points):** quality of the consortium and project teams; appropriate procedures and problem-solving mechanisms for cooperating within the project teams and consortium; 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
- 3. Cost effectiveness (5 points):** cost effectiveness; sufficient/appropriate budget for proper implementation; best value for money
- 4. Impact (5 points):** ambition and expected long-term impact of results on target groups/general public, dissemination and exploitation strategy for ensuring sustainability and long-term impact; potential for replication and perspectives for up-scaling in less developed regions, sustainability of results after EU funding ends.

Award criteria	Minimum pass score	Maximum score
Relevance	5	10
Quality	2.5	5
Cost effectiveness	2.5	5
Impact	2.5	5
<b>Overall (pass) scores</b>	<b>17.5</b>	<b>25</b>

Maximum points: 25 points.

Individual thresholds per criterion: 5/10, 2.5/5, 2.5/5, 2.5/5 points.

Overall threshold: 17.5 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](#).

### 10.1 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*.

### 10.2 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.

The following deliverables will be mandatory for all projects:

- business and investment plan
- report on the implementation of the business investments belonging to the portfolio (for publication)
- Annual report on the engagement with the managing authorities of ERDF programmes and the authorities responsible for S3 in the regions represented in the consortium
- assessment of the market readiness at the end of the project
- list of remaining bottlenecks
- data management plan
- full dissemination and exploitation plan
- yearly report for cumulative payments (for projects with more than EUR 5 million requested EU contribution)

### 10.3 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 costs 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 Article 6 of the grant agreement and Annex 2 and 2a*).

The costs will be reimbursed at the funding rates fixed in the Grant Agreement (**100%** for the costs of providing financial support to third parties and **70%** for all other cost categories).

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*).

#### 10.4 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
  - D.1 Financial support to third parties
- E. Indirect costs

*Specific cost eligibility conditions for this call:*

- personnel costs:
  - SME owner/natural person unit cost<sup>26</sup>: Yes
- travel and subsistence unit cost<sup>27</sup>: Yes
- equipment costs: depreciation
- other cost categories:
  - costs for financial support to third parties: allowed for grants; maximum amount per third party EUR 60,000,
- 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:

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<sup>26</sup> [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).

<sup>27</sup> [Commission Decision](#) of 26. July 2023 amending Commission Decision C(2021)35 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 on 26 July 2023.

- 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 two 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.

### 10.5 Reporting and payment arrangements


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

After grant signature, you will normally receive a **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/financial guarantee (if required) — whichever is the latest.

There will be one **interim payment (with detailed cost reporting) at half time of the project**.

**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 the defaulting beneficiary 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 Article 22*).

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

### 10.6 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.

### 10.7 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 Article 24*).

### 10.8 Liability regime for recoveries

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

### 10.9 Provisions concerning the project implementation

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

- rights of use on results: Yes

Communication, dissemination and visibility of funding: *see Model Grant Agreement (Article 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 (Article 18 and Annex 5)*:

- specific rules for blending operations: No

### 10.10 Other specificities

Not applicable

### 10.11. 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 EU Login 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 4 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.
- Part C containing additional project data. To be filled in directly online.
- 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 three working days before the submission deadline to the following email address: [EISMEA-I3-INSTRUMENT-CALLS@ec.europa.eu](mailto:EISMEA-I3-INSTRUMENT-CALLS@ec.europa.eu).

Please indicate clearly the reference of the call 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 and 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.

As outlined in the [General Model Grant Agreement](#) (MGA), Chapter 4, Section 1, Article 7, coordinators may delegate some tasks. Therefore, project proposals shall describe in detail the coordinator's role and ensure shared understanding among all project partners about the project tasks and responsibilities.

- **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 highly 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 be 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 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](#).

The following table summarises the different objectives, dimensions, leverage effects and expected impact of the Strand 1 and 2a of the present I3 calls for proposals:

	<b>Strand 1</b>	<b>Strand 2a</b>
<b>General Objective</b>	Increase of the competitiveness and resilience of EU value chains, in shared smart specialisation areas  Commercialisation and scaling up of innovation for the development of European value chains	Creation of new value chains in less developed regions (LDR)  Commercialisation and scaling up of innovation in European value chains
<b>Interregional Dimension</b>	Interconnected investments, to de-risk investments and to maximise the exploitation of technologies/solutions developed in Europe	Interconnecting LDR and more developed regions (MDR), innovation followers and innovation leaders, SMEs to multinational companies (MNC)
<b>Value Chain Dimension</b>	Focus on value chain related investments to make EU value chains more competitive  Interconnection of regional value chains to create EU added value, including LDRs in the creation of value	Creating new Value chains in LDR, connecting those value chain to MDRs  Creating interconnection between SMEs from LDR and FDI driven value chains (Multinationals)
<b>Innovation Dimension</b>	<b>Innovation Creation</b> , TRL 6-9 <ul style="list-style-type: none"> <li>• New to Europe or new to the application sector</li> <li>• Valorisation of research results</li> <li>• Increasing technology readiness</li> <li>• Exploitation and deployment strategies in the internal market and outside Europe</li> </ul>	<b>Innovation Diffusion</b> TRL 6-9 <sup>28</sup> <ul style="list-style-type: none"> <li>• Exploitation of research results</li> <li>• Application of innovative technologies and solutions in LDRs (in the same sector)</li> <li>• New to the region when an innovative technology is deployed (adaptation to the needs of companies of LDRs)</li> </ul>

<sup>28</sup> [https://ec.europa.eu/research/participants/data/ref/h2020/wp/2014\\_2015/annexes/h2020-wp1415-annex-g-trl\\_en.pdf](https://ec.europa.eu/research/participants/data/ref/h2020/wp/2014_2015/annexes/h2020-wp1415-annex-g-trl_en.pdf)

		<ul style="list-style-type: none"> <li>• New to the application sectors (adaptation of technology to the needs of a specific sector in LDRs)</li> </ul>
<b>Smart Specialisation dimension</b>	<p>Similar or complementary S3 priorities</p> <p>S3 as coordination principle for interregional collaboration</p>	<p>Similar or complementary S3 priorities</p> <p>S3 as coordination principle for interregional collaboration</p>
<b>Investment Dimension</b>	<p>Piloting and demonstration, innovation upscale</p> <p>Pilot plants, testbed for small and large scale demonstration in real environment</p> <p>Highly specialised advisory support for the implementation of experiments and demonstration cases in companies</p> <p>Tangible and intangible investments (depreciation) to increase market readiness</p> <p>Skills development for the uptake of innovative technologies/solutions and processes in companies</p>	<p>Piloting and demonstration, innovation upscale</p> <p>Pilot plants, testbed for small and large scale demonstration in real environment</p> <p>Tech transfer and highly specialised advisory support for the implementation of experiments and demonstration cases in companies</p> <p>Tangible and intangible investments for innovation deployment (depreciation)</p> <p>Skills development for the deployment of innovative technologies/solutions and processes in companies</p>
<b>Leverage effects on mainstreaming funding</b>	I3 Instrument project as concrete business and investment cases to leverage investments from mainstream funding	I3 Instrument project as concrete business and investment cases to leverage investments from mainstream funding
<b>Expected impact</b>	<p>Contribution to the twin transition and to the efficiency, sustainability and competitiveness of the EU manufacturing sector</p> <p>Increasing EU competitiveness</p>	<p>Contribution to the creation of new value chains in LDRs, contribution to the twin transition and to the efficiency, sustainability and competitiveness of the EU manufacturing sector</p> <p>Reduction of the innovation divide</p> <p>Reduction of disparities between MDR and LDR</p>