



EUROPEAN COMMISSION

ENTERPRISE AND INDUSTRY DIRECTORATE-GENERAL

Pilot Project
“ERASMUS for young entrepreneurs”

Call for Proposals
ENT/ERA/08/311
Grant Programme 2008

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1. CONTEXT

This pilot project aims to ensure that experience is exchanged and reinforced at European level for the benefit of nascent EU entrepreneurs. The general objective of the present call for proposals is to support intra-EU partnerships for the purpose of implementing mobility schemes for them.

For this purpose the Commission decision C(2007) 6343 of 10th December 2007 as amended by Commission decision C(2008) 2332 of 4th June 2008 allocates a budget of €2,850,000 to be granted to public or private entities competent in the field of business support through a call for proposals aimed at co-financing the eligible costs of the implementation of mobility actions designed to benefit nascent EU entrepreneurs, including those who have started a business recently.

Entities from EFTA/EEA¹ and candidate² countries are admitted to participate as project partners in the present call for proposals. This does not change the minimum requirement of two partners from two different EU Member States as regards lot 1.³ No grants can be awarded to partners in those countries in the framework of the present pilot project.

By awarding grants to European partnerships enhancing the mobility of nascent entrepreneurs, the Commission's specific aims are:

- exchange of experience and information among entrepreneurs with regard to obstacles and challenges in the creation and development of their businesses;
- training of nascent entrepreneurs allowing them to successfully start and develop their new business ideas;
- market access and identification of potential partners for new businesses in other EU countries;
- inter-cultural learning by developing knowledge and experience of other European countries.

The Commission will monitor and evaluate the results of the pilot project to determine its continuation in future years.

2. OBJECTIVE OF THE CALL

2.1 Objective

This call for proposals aims to facilitate exchange of experiences, learning and networking for nascent EU entrepreneurs through periods spent at companies of experienced entrepreneurs in other EU Member States. The specific objective of the pilot action is to contribute to enhancing entrepreneurship, internationalisation and competitiveness of potential start-up entrepreneurs in the EU and newly established micro and small enterprises.

¹ Republic of Iceland, Principality of Liechtenstein, Kingdom of Norway, Swiss Confederation

² Croatia, Former Yugoslavian Republic of Macedonia, Turkey

³ See below chapter 2.1.

The following type of actions will be supported:

- Lot 1: European partnerships enhancing the mobility of nascent entrepreneurs

The purpose of this lot is to select a limited number of projects submitted by European partnerships composed of at least two entities from two different EU Member States and which are each expected to cover at least a NUTS 2 area in the case of Spain, France, Italy, Austria, Finland and Sweden, and a NUTS 1 area in the case of all other EU Member States.⁴ These partnerships will be required to cooperate with the coordinating body selected under lot 2 (see below) and with all other partnerships assisted under this lot in order to ensure that mobility activities of nascent entrepreneurs take place between partnership projects.

- Lot 2: support, coordination and networking linked to the action mentioned in lot 1.

The purpose of this lot is to select one body that will co-ordinate the projects selected under lot 1. This co-ordinating body will be required to co-operate closely with the European Commission and projects selected under lot 1 (see above).

The expected outputs of the pilot project are:

- support of a limited number of European partnerships
- implementation of the mobility of around 870 nascent entrepreneurs to a host entrepreneur in another EU Member State
- creation of new businesses and spin-off companies
- development of a network of new entrepreneurs and intermediary organisations

2.2. Description of activities to be foreseen

The Flash Eurobarometer survey⁵ and the feasibility study⁶ on the pilot project “ERASMUS for young entrepreneurs” singled out the interests and needs of main stakeholders as regards the implementation of the mobility scheme. They revealed that the core work to be done is relationship building between nascent entrepreneurs (NE) and host entrepreneurs (HE).

A NE is defined as someone in the early stages of becoming an entrepreneur. This definition means that the pilot project should primarily be targeted at nascent entrepreneurs (i.e. ‘would-be entrepreneurs’ or ‘wannabes’) who intend to set up a business, but does not exclude those who have already started an own business - but no more than three years ago. The planned or existing business can be from any sector. They must comply with the EU level definition of a micro or small enterprise.⁷ The NE should gain more entrepreneurial skills by contributing,

⁴ For more information on the Nomenclature of Territorial Units for Statistics (NUTS) see http://ec.europa.eu/eurostat/ramon/nuts/home_regions_en.html

⁵ The results of the survey can be downloaded at http://ec.europa.eu/enterprise/entrepreneurship/support_measures/erasmus/eurobaro.htm

⁶ The results of the study have been published at http://ec.europa.eu/enterprise/entrepreneurship/support_measures/erasmus/feasability.htm

⁷ As defined at http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/index_en.htm

through a relationship with a host entrepreneur in another country, to the development of an entrepreneurial business and, in this way, enhance his own business project. He/she must demonstrate a sound educational/vocational background and a viable, documented business idea. He/she needs to show the specific 'entrepreneurial' characteristics of someone who seeks to capitalize on new and profitable endeavours or business - usually with considerable initiative. The NE should also demonstrate vision, commitment and an appreciation of risk when embarking on this stay and finding the funds to cover the related cost.

The HE should be a successful entrepreneur (preferably the owner of a micro or small enterprise, or someone directly involved in entrepreneurship at SME board level)⁸ with an ambition to share his/her entrepreneurial experience and gain from the contribution to be made to his/her business by a NE from another country. The HE is committed to making a contribution towards the development of the NE's entrepreneurial skills. HEs should be very experienced with SMEs.

The relationship between NE and HE – each from a different Member State - is meant to be a period of contact and collaboration founded upon mutual interests and benefits. An eligible relationship may span a period of between one month and six months of stay with the HE. The total stay may be set within a longer overall time period of no more than 12 months. Within this time span the relationship may well be activated over a number of shorter time slots (minimum 1 week per slot) during which the actual visit of the NE to the HE takes place (maximum six months). This should leave both NE and HE enough flexibility to manage their needs in terms of time and resources.

The European partnerships assisted under lot 1 have the task to organise these relationships. If a relationship between a NE and a HE takes place within a European partnership such relationship is called an 'intra-consortium relationship'. If a relationship between a NE and a HE takes place between different European partnerships such a relationship is called an 'inter-consortia relationship'.

The initiation of a relationship is to be facilitated by one or several Intermediary Organisation(s) (IOs) which are part of one or several European partnership(s). IOs have proven expertise in the field of business support and are in close contact with the NE and the HE. The IOs' main task is to enable successful relationships between NE and HE and offer services linked to the match-making (such as promotion, information, induction, validation of applications, arranging contracts, logistical support etc.). Furthermore the NE's IO and the IO active in the geographical area of the HE, both have the task of advising the NE on available sources of financial assistance to cover costs related to the stay and of facilitating his/her access to such sources.

A successful relationship is defined as a relationship between a NE and a HE that has been established with the help of one or several IO(s), which has received approval by the Commission and has fulfilled all the requirements agreed by HE, NE and IOs. The Commission's approval to initiate a relationship does not necessarily imply the acceptance of the expenditure linked to the implementation of the relationship.

The Coordinating Body (CB) assisted under lot 2 will contribute to ensuring coherence and consistency of the work done by the IOs. It will help the mobility scheme to develop a real pan-European scope. If possible, the CB should be established at European level to work in close cooperation with the Commission and the IOs. Its main tasks include guidance and

⁸ See previous footnote.

assistance to IOs, developing and up-dating a central website, coordinating information and publicity. It should also contribute to ensuring the quality of the mobility scheme.

The process of establishing an eligible relationship would be as follows:

- (1) A NE submits an application to an IO (normally the IO of his/her home region or country but other eligible IOs are not excluded) in which he/she demonstrates his/her entrepreneurial characteristics through relevant documentation (CV, diplomas, business plan, reference letters, language skills etc.) and his/her motivation to complete a period abroad with another entrepreneur.
- (2) The application is checked and validated by the NE's IO.
- (3) Either spontaneously or by invitation of an IO, a HE submits a reasoned file in which he/she demonstrates his/her willingness and capability to receive a NE, and exchange information and experience with the NE.
- (4) The file is checked and validated by the IO that is active in the geographical area of the HE. Accepted HEs are invited to participate in a potential network of successful entrepreneurs.
- (5) Suitable NEs and HEs are matched with the help of the responsible IOs. The matching process includes advising the NE on available sources of financial assistance to cover costs related to the stay and facilitating his/her access to such sources. After this matching and advice on the financial feasibility, the relationships are provisionally established and submitted to the Commission for acceptance before being formally initiated.
- (6) The selected NE, HE and the responsible IOs agree on a quality commitment and specifications of the tasks, responsibilities, deliverables, financial conditions and legal implications. This will need to provide for the exclusion of the NE making any profit from the financial assistance. The latter has the function of covering the travel, accommodation and subsistence costs which the NE incurs within the framework of this mobility action. As such, the NE will need to declare that he/she had real expenditure as well as any third party contributions to the travel and subsistence costs of his stay abroad. Such third party contributions will be taken into account accordingly when determining the financial assistance paid to the NE under this project. The IO is responsible for keeping evidence of the NE's real expenditure incurred within the framework of his/her stay abroad and providing effective control and management mechanisms with regard to the no-profit rule. Under no circumstances can the financial assistance paid to the NE be higher than the NE's real costs for travel, accommodation and subsistence when staying with the HE. The financial assistance paid to NEs is independent from the compensation that the HE might pay to the NE for the work the latter has done when staying with the HE.
- (7) The NE participates in a pre-departure induction including information on the mobility scheme, inter-cultural learning and relevant EU level information, such as the internal market, European law issues, the European Enterprise Network (EEN), SOLVIT etc. The NE's IO will organise this induction based on general modules developed by the CB, taking into account the specificity of each relationship.

- (8) The NE's IO will be responsible for delivering the financial assistance paid from the Commission grant to the NE. The NE's IO is responsible for ensuring that the financial assistance together with any third party support for travel, accommodation and subsistence costs is based on real expenditure incurred by the NE and does not create a profit for the NE.
- (9) Upon arrival and during his/her stay abroad the NE will receive support and advice from the IO of the HE's country.
- (10) After completion of the period abroad, the NE and the HE submit reports based on standard forms to the responsible IOs which will evaluate the reports and submit them to the CB. The latter will be responsible for the monitoring and quality control of the pilot project and for informing the Commission about it.

As a minimum requirement, it is expected that the project proposals submitted under this call describe the following activities in detail:

- Lot 1: European partnerships enhancing the mobility of nascent entrepreneurs

- (a) Providing information to and screening NEs

While it is likely that sufficient interest can be expected from potential NEs, it will be necessary to provide promotional information to specific target groups and give general guidance to applying NEs. Furthermore, it will be necessary to screen and advise applicants to ensure a high quality of applications and, in particular, to gauge how committed the applicants are to setting up a business (business plan).

- (b) Promotion and engagement of HE

Applying consortia (see below chapter 5 on eligibility) need to describe the communication measures intended to be undertaken in order to effectively disseminate information on the mobility scheme and reach a maximum number of potential HEs who wish to participate in the action. These measures should ensure the visibility of the EU's support to the project.

- (c) Compiling applications of NEs and HEs

The Commission will develop a database enabling NEs and HEs to submit applications to participate in the action. The applying consortia are invited to explain how they intend to verify the quality and eligibility of applications. They should also explain how they intend to ensure reaching a relatively equal number of eligible NEs and HEs.

- (d) Matching the relationships

The process of successful matching of NEs and HEs will be a key element of the mobility scheme. The matching is considered successful if it has established a "successful relationship" as defined above (see point 2.2). The applying consortia are invited to describe how they intend to ensure finding the best matches (of which around 50% should be inter-consortia relationships) facilitate the connections and follow the relationships before the stay abroad takes place.

Applying consortia also need to describe how they intend to facilitate NE's access to sources of financial assistance to cover costs related to a stay with a HE (indicating as far as possible

such sources and providing details on them) and how they intend to advise NEs on such sources.

(e) Information and induction

Applicants are invited to describe what kind of information and induction they intend to develop and offer to NEs and how they intend to organise it within the European partnership.

(f) Management of contracts and commitments

Once the relationship has been accepted, the consortia concerned have to ensure that all parties involved (NE, HE, IOs) agree on a quality commitment⁹ and on specifications of the tasks, responsibilities, deliverables, financial conditions and legal implications. Applying consortia should describe how this is intended to be done in an efficient and effective way, including potential amendments, respect of the no-profit rule and the handling of payments and reports.

(g) Logistical support

It is expected that the IOs concerned offer local assistance to the visiting NE during his/her stay with the HE. Applying consortia are invited to describe what services are intended to be offered to address practical questions (housing, transport, insurance, etc.) and what mechanisms will be put in place to avoid problems and potential conflicts.

(h) Financial assistance

Financial assistance provided by the IOs to the NEs serves to support the cost of their stay. The IO to which the NE has submitted his/her application is expected to hand out to the NE financial assistance paid from Commission grants provided that the NE is part of a successfully matched relationship with a HE. The IO will be in charge of ensuring the correct management of this financial assistance, including the verification of the NEs expenditure on travel, accommodation and subsistence, and appropriate control of the no-profit rule. Further details will need to be given in the specifications mentioned above (see item (f)).

The Commission recommends monthly amounts of financial assistance as set out in Table 1 (see below chapter 11). For calculating the grants it will apply an eligibility ceiling of €1,100 of monthly financial assistance paid to the NE by the IO. The applying consortia should describe how they intend to organise the management and control of this financial assistance in an efficient and effective way, including avoidance of any financial misuse.

(i) Quality control and evaluation

The aim is to develop a mobility scheme of high quality. Applying consortia are invited to describe the measures they intend to undertake to ensure such high quality, especially concerning the respect of quality commitment as agreed by all parties involved, the fulfilment of the reporting requirements and the evaluation of relationships that have been established.

⁹ A draft quality commitment framework has been developed as part of the above mentioned feasibility study and presented in annex 1 of the Guide published online at http://ec.europa.eu/enterprise/entrepreneurship/support_measures/erasmus/feasibility.htm

(j) Active networking of the pilot projects

Applicants and partner bodies are invited to describe how they intend to actively participate in the networking of the funded European partnerships, including their participation in three network meetings in Brussels (travel and accommodation costs will need to be covered by each consortium).

(k) Reporting

The IOs are expected to report on a quarterly basis about the implementation of activities, the matching of relationships, problems that might have been encountered and measures that have been taken to overcome those problems. The applying consortia should describe how they intend to organise the reporting in an efficient and effective way.

- Lot 2: Support, coordination and networking linked to the action mentioned in lot 1.

(a) Marketing and promotion

Proposals need to contain detailed information on the actions that are intended to be undertaken to ensure effective marketing and promotion of the mobility scheme particularly at European level. Proposals should mention which communication channels will be used and what kind of cooperation is envisaged with existing actors and networks. Furthermore, the CB should help co-ordinate the communication measures developed by the European partnerships. These measures should ensure the visibility of the EU's support to the project.

(b) Guidance and support

Proposals need to contain detailed information on the guidance material and other standard documentation (such as agreement template, tools for quality commitment, translations) that are intended to be developed to support the European partnerships, including any other relevant support services (such as help desk, frequently asked questions, support for solving problems and conflicts etc.).

(c) Co-ordination and quality control

Applicants for lot 2 should describe how they intend to contribute to the co-ordination of the European partnership projects mentioned in lot 1 at a European level and to ensuring their quality. The aim is to achieve implementation in a coherent and consistent way and make sure that mobility activities between the various projects are possible. Among other things three network meetings are planned to be organised in Brussels allowing contact and exchange of information and experience between all participating European partnerships assisted under lot 1.

(d) Development of a central website

Proposals need to provide detailed information on the development and updating of a multilingual central website that will contribute to promoting the mobility scheme, attract interested NE and HE and will provide a tool for them to submit online applications and files (concerning this latter point an initial pilot database compiling applications and files will be provided by the Commission which should be accessible via the website).

(e) Development of online training material

Since training of NEs is an important quality element, proposals need to contain detailed information on the actions that the applicant intends to undertake in order to develop attractive and user-friendly high quality training modules on important EU related business subjects (such as the internal market, standardisation, EU commercial and contract law, EU level business support tools, inter-cultural learning etc.) that can be used by the IOs for the pre-departure induction courses and online by NEs before or during their stay abroad.

(f) Networking

One of the expected outputs of the entire Pilot Project is the establishment of a network of intermediary organisations. Applicants should describe what assistance they intend to provide towards the establishment of such a network and, in particular, to three network meetings scheduled to take place in Brussels in January and September 2009 and in January 2010 (travel and accommodation costs are to be covered by each consortium).

(g) Reporting and monitoring

The IOs will be obliged to report on a quarterly basis on the implementation of activities, the matching of relationships, problems encountered and measures that have been taken to overcome those problems. Applicants are invited to describe the reporting mechanism (i.e. compilation of reports, analysis, feedback, proposals for solutions, involvement of the Commission in case of major difficulties etc.) allowing stakeholders and the Commission to monitor progress and, if necessary, carry out the necessary adaptations.

2.3 Deliverables

The call is expected to result in around 870 successful relationships between NEs and HEs.

This implies the following deliverables:

- Lot 1: European partnerships enhancing the mobility of recently established and nascent entrepreneurs
 - approximately 35 to 50 successfully matched relationships per European partnership in which a relatively equal number of NEs and HEs per European partnership participate; around 50% of those relationships should be in cooperation with another European partnership;
 - offering assistance and support to approximately 35 to 50 NEs who are visiting a HE covered by the partnership, including the financial assistance as referred to in item (h) of lot 1 (see above chapter 2.2.);
 - participation in three network meetings in Brussels (travel and accommodation costs will need to be covered by the partnership);
 - reports based on standard forms for each NE and HE having participated in a successful relationship;
 - a comprehensive final implementation report, describing the work undertaken, and the obstacles that have been encountered, and making recommendations on how to improve the mobility scheme for nascent entrepreneurs in the future. In order to facilitate and speed up the validation procedure by the Commission services, this final

implementation report, if it is not written in English, French or German, should be accompanied by a summary in one of these three languages.

- Lot 2: support, coordination and networking linked to the action mentioned in lot 1
 - tools, material and events for marketing and promotion, guidance and support, coordination and quality control, and reporting;
 - an attractive and user-friendly website on the mobility scheme of nascent entrepreneurs (with a link to the database developed by the Commission);
 - attractive and user-friendly high quality online training material;
 - assistance to three network meetings in Brussels involving representatives of all selected European partnerships (travel and accommodation costs will be covered by the European partnerships);
 - a comprehensive final implementation and evaluation report: describing the work undertaken and the obstacles that have been encountered, and making recommendations on how to improve the mobility scheme for nascent entrepreneurs in the future. In order to facilitate and speed up the validation procedure by the Commission services, this final implementation report, if it is not written in English, French or German, should be accompanied by a summary in one of these three languages.

3. TIMETABLE

Scheduled start-up date for the action: as soon as possible but no later than 31 December 2008.

The maximum duration of actions is:

Lot 1: 18 months

Lot 2: 22 months

No applications will be accepted for projects scheduled to run for a longer period than that specified in this call for proposals. However, the grant agreements may be renewed up to two times, for 12 months each, provided that the necessary funds have been made available by the EU's Budgetary Authority.

The intention is to inform applicants of the outcome of the award procedure no later than the month of November 2008.

The period of eligibility of costs will start on the day the grant agreement is signed by the final party.

The indicative calendar for projects co-financed under this call for proposals is as follows:

Information, promotion, guidance and website development	December 2008 – March 2009
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1 st network meeting	January 2009
Assembling applications, matching relationships and signing agreements and quality commitment framework	February – September 2009
2 nd network meeting	September 2009
Induction, start of NE's period abroad and of logistical support to NE/HE	April - November 2009
3 rd network meeting	January 2010
End of placements	June 2010
Submission of final implementation reports of lot 1	September 2010
Submission of final implementation report of lot 2	November 2010

4. FINANCING

The maximum budget of Community funding allocated for the operation is €2,850,000.

Number of projects:

- Lot 1 on European partnerships: an estimated 20 projects.
- Lot 2 on support, coordination and networking: one project.

Community co-financing rate of eligible costs: maximum 90%.

Community co-financing ceiling:

- Lot 1 on European partnerships:

The maximum funding by the Commission will be up to €140,000. The maximum amount of financial support that may be paid to third parties by a European partnership is €100,000, with a maximum of €10,000 per each third party (i.e. per NE). The Commission recommends using table 1 (see chapter 11)¹⁰ as a guide for setting monthly assistance to be paid to NEs. Under no circumstances will the Commission accept an amount beyond the eligibility ceiling of €1,100 for monthly financial assistance paid to the NE by the IO.

The direct financial assistance paid to the NE must be justified by proof of his/her expenditure for travel, accommodation and subsistence for staying with the HE. Each European partnership is responsible for checking such proof of expenditure and keeping evidence of it. The Commission will calculate the European partnership's grant on the basis of real costs incurred by the NE for which the European partnership can provide sufficient evidence.

¹⁰ The use of the amounts mentioned in table 1 is optional and does not constitute an award criteria (see below chapter 7).

The maximum amount of eligible expenditure which the Commission will accept for information, induction, matching, management, logistics, quality control, evaluation and participation in networking events will be equal to 50% of the eligible financial assistance paid to the NE, however with an absolute ceiling of €900 per successfully matched relationship within a European partnership ('intra-consortium relationships'). In case of relationships involving different European partnerships ('inter-consortia relationships') the eligible EU funding per successful relationship will be divided according to the following ratio: €600 for the European partnership that provides the HE and €300 for the European partnership that provides the NE.

These amounts apply provided that the reports of NE and HE have been accepted by the Commission. If, however, after the Commission has given approval to an 'intra-consortium relationship' between a NE and a HE, the European partnership concerned can not provide sufficient proof of the successful implementation of that relationship the maximum amount of eligible expenditure which the Commission will accept for information, induction, matching, management, logistics, quality control, evaluation and participation in networking events is €60. In case of an 'inter-consortia relationship' where the involved two European partnerships can not provide sufficient proof of the successful implementation of that relationship the maximum amount of eligible expenditure which the Commission will accept for information, induction, matching, management, logistics, quality control, evaluation and participation in networking events is €280 for each of them.

- Lot 2 on support, co-ordination and networking: €200,000

Important note on eligibility of the costs for the permanent staff: applicants should be aware that EU grants should not in principle cover the cost of permanent staff of public bodies so as to avoid double-burden on Member State taxpayers. An exception to this rule may be possible if it is shown that the public body in question will, as part of the EU financed project, carry out activities additional to its routine activities. In such cases, the cost of permanent staff paid from the public budget can be considered as part of the co-financing provided by the applicant organisation and, where relevant, by its partner organisations. The costs of the permanent staff of any public organisation should not exceed the amount of co-financing provided by that organisation. The cost of temporary staff hired specially to implement the project described in the proposal can be covered by an EU grant.

- Please note that one action may give rise to the award of only one grant from the Community budget to any one beneficiary.
- The Commission reserves the right to award a grant of less than the amount requested by the applicant. Grants will not be awarded for more than the amount requested.
- The publication (on the Internet site and/or in the Official Journal) does not guarantee the availability of funds for the above action.
- The Commission grant may not have the purpose or effect of producing a profit for the beneficiary. Profit is defined as a surplus of receipts over costs. The amount of the grant will be reduced by the amount of any surplus.

4.1. Co-financing and joint and several responsibility

The beneficiary shall supply evidence of the co-financing provided, either by way of own resources, or in the form of financial transfers from third parties, or in kind. The Commission

may accept co-financing in kind if considered necessary or appropriate. In such cases the value of such contributions cannot cover all the necessary co-financing.

At least 5% of the total cost of the action must be covered by co-financing other than contribution in kind.

The applicants shall provide an explicit undertaking from each co-financing organisation to provide the amount of funding stated in the grant application for the operation (signed form C).

They shall agree upon appropriate arrangements between themselves for the proper performance of the action. In particular, they shall agree on joint and several responsibility for any amount due to the Commission by any one of them. The grant agreement shall be signed by each participating co-beneficiary unless a power of attorney is conferred to the appointed co-ordinator (Form A/4 of the Submission Set).

4.2. Contracting

Only a limited part of the project may be outsourced by awarding contracts, i.e. a maximum of 10% of the eligible costs within lot 1 and a maximum of 30% of eligible costs within lot 2.

Contracting does not limit the responsibilities of the beneficiaries.

Please refer to the Guide for Submission (page 10) for further details on contracting.

4.3. Payment arrangements

The draft grant agreements attached to the Submission Set (Form E) specify the payment arrangements.

5. ELIGIBILITY

- Lot 1 on European partnerships:

Applicants must act in consortium (i.e. a European partnership) with at least one partner body from another country (i.e. a minimum of two bodies).¹¹ Each participating body must cover at least a NUTS 2 area in the case of Spain, France, Italy, Austria, Finland and Sweden, and a NUTS 1 area in the case of all other EU Member States.¹² In the Submission Set, you will find the grant agreement for reference. Participation in more than one European partnership is not possible.

Partners of applicants must satisfy the same eligibility criteria as those for applicants; the applicant will be the lead organisation and, in case of selection, the contracting party (the “Beneficiary”).

The EU financing may be used to extend and/or strengthen already existing activities for the mobility of nascent entrepreneurs, provided that these activities and their implementation

¹¹ However see also award criteria ‘1. relevance’ which includes the geographical coverage (item 7 below).

¹² see http://ec.europa.eu/eurostat/ramon/nuts/codelist_en.cfm?list=nuts

respect the above mentioned eligibility criteria. The EU funding may be combined with non-EU funding, provided that for the total operation the rules to be observed in application of the Financial Regulation applicable to the general budget of the European Communities¹³ and its Implementing Rules¹⁴ are respected.

The European dimension of the proposed project must be demonstrated by submitting Form A/4 to the submission set duly filled in and signed by the partner organisations in order to confirm their participation (original signatures required).

- Lot 2 on support, coordination and networking:

Applicants must act individually. In the Submission Set you will find the grant agreement for reference.

Applicants must prove their capacity to coordinate projects at European level.

5.1. Geographical eligibility

Applications from legal entities established in an EU Member State are eligible. The Commission intends to obtain with the total of all European partnerships assisted under lot 1 the widest possible geographical coverage of the EU territory.

The Commission may select proposals from applicants in EFTA/EEA countries or candidate countries, provided that, on the date of selection, agreements have been signed setting out the arrangements for the participation of those countries in the programme established by the Decision referred to under point 1 of this call.

5.2. Legal status eligibility

Applications must be submitted by a legal entity. Corporate bodies must be properly constituted and registered under the law. Any public or private entity can participate in this call for proposals. This may include in particular:

- chambers of commerce and industry, chambers of handicrafts or similar bodies
- business support organisations and start-up centres
- business associations and business support networks
- public entities offering business support services
- education and training providers (public, private, sectoral etc.) active in the field of business support
- training placement organisations

¹³ A consolidated version can be found at <http://eur-lex.europa.eu/LexUriServ/site/en/consleg/2002/R/02002R1605-20070101-en.pdf>

¹⁴ A consolidated version can be found at <http://eur-lex.europa.eu/LexUriServ/site/en/consleg/2002/R/02002R2342-20070501-en.pdf>

5.3. Exclusion criteria

By using the “Exclusion Criteria Form” (Form D attached to the Submission Set) Applicants shall declare on their honour that they are not in one of the situations referred to in Articles 93 and 94 of the Financial Regulation. In completing this form the applicant:

- states whether or not he/she/the company is in one or more of the situations described in the Exclusion Criteria Form; and
- undertakes to submit to the Commission any additional document relating to the exclusion criteria that the Commission may see fit to request.

Where the proposal is submitted by more than one applicant, each applicant must complete the Exclusion Criteria Form.

Please note that, according to articles 96 and 114 of the Financial Regulation applicable to the general budget of the European Communities and according to article 134b of the Commission Regulation (EC, Euratom) n° 2342/2002 of 23 December 2002¹⁵ laying down detailed rules for the implementation of Council Regulation (EC, Euratom) n° 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities¹⁶, administrative and financial penalties may be imposed by the Commission on applicants who are excluded in relation to points a) to h) of the form in question.

5.4. Eligible proposals

Applications must comply with the following conditions in order to be eligible for a grant:

- Application must be signed, dated and complete, using the standard Submission Set;
- Application must be submitted before the closing date mentioned below;
- Only projects that are strictly non-profit-making and/or whose immediate objective is non-commercial shall be eligible.

In this context, any project directly or indirectly contrary to EU policy or against public health, human rights, citizen’s security or freedom of expression will be rejected.

6. SELECTION

6.1. Applicants’ financial capacity to complete the proposed action

Applicants must show they have sufficient and stable sources of funding to ensure the continuity of their organisation throughout the project and, if necessary, to play a part in financing it.

As such, applicants must complete and sign Form A/3 for the lead organisation, and Form A/4 for partner organisations, if applicable. The Legal Entity Form and Financial Identification Form must also to be completed, signed and annexed to the aforementioned forms.

¹⁵ As amended by Commission Regulation 1261/2005 of 20 July 2005, Commission Regulation 1248/2006 of 7 August 2006 and Commission Regulation 478/2007 of 23 April 2007

¹⁶ As amended by Council Regulation 1995/2006 of 13 December 2006

For ease of reference, the applicants are further requested to complete the Financial Statement Form A/5 of the Submission Set. This form only applies to private organisations. Public organisations are only requested to indicate their annual revenue/resources in Forms A/3 and A/4.

Applicants must include in their Grant Application Form their annual accounts (i.e. profit and loss; balance sheet) for the previous financial year.

Alternatively, a guarantee equivalent of all or part of the grant being sought may be provided in order to show the financial capacity.

The verification of financial capacity shall not apply to public bodies, or to the international organisations referred to in Article 43 of the Commission Regulation (EC, Euratom) n° 2342/2002.

6.2. External audit reports

For actions where the cost to be financed exceeds €500,000 and for operating grants of over €100,000, the application shall be accompanied by an external audit report produced by an approved auditor. This report shall certify the accounts for the last year available and give an assessment of the financial viability of the applicant.

This obligation does not apply to public bodies, secondary or higher education establishments, international organisations under public law, or beneficiaries with joint and several liabilities in the case of agreements involving several liability beneficiaries.

6.3. Applicants' technical capacity to complete the proposed action

Applicants must demonstrate that they have the operational (technical and management) capacity to complete the operation to be supported and can manage an activity corresponding to the size of the project for which the grant is requested. In particular, the team responsible for the project/operation must have adequate professional qualifications and experience.

The Grant Application Form must be submitted with the curricula vitae of the staff that will actually be performing the work involved, professional references and details of similar projects completed. For ease of reference, the curricula vitae should preferably be submitted in the Europass format which can be found at the following link:

http://europass.cedefop.europa.eu/europass/preview.action?locale_id=1

A substantial part of the networking among European partnerships and of matching relationships is expected to be done by using a common language, in particular English. Therefore, as part of the technical capacity, applicants will need to demonstrate that each proposed partner of the consortium is sufficiently competent in dealing with international files and communication, bearing in mind this language aspect. This can be done e.g. by including in their CVs the language skills of the staff that will actually be performing the work involved.

Applicants must be directly responsible for the preparation and management of the project and not acting as an intermediary.

7. AWARD

An evaluation of the quality of proposals, including the proposed budget, will be carried out in accordance with the following award criteria:

1. Relevance (including geographical coverage for lot 1)	35
2. Visibility	15
3. Impact	15
4. Quality	15
5. Budget and Cost-effectiveness	20
Maximum total score	100

If a total score lower than 60 points or a score lower than 50% for any of the above five criteria is obtained, the proposal will not be evaluated further.

In the case of lot 1, the Commission will award grants to the best scoring proposals.

In the case of lot 2, the Commission will award a single grant to the best scoring proposal that can be implemented with this grant.

The complete selection and evaluation procedure is described in point II.3 of the Guide for Submission.

Please note that, in case of award, the beneficiary authorises the Commission to publish the following information in any form and medium, including via the Internet:

- beneficiary's name and address,
- subject and purpose of the grant,
- amount granted and the percentage of the action's total cost covered by the funding.

8. SUBMISSION OF PROPOSALS

8.1. Preparing the proposal

The proposal must be drafted in one of the official languages of the European Union, using the specific Submission Set available for this call. Please also refer to the Guide for Submission for explanatory details.

The Submission Set can be:

- downloaded from Europa web site: <http://ec.europa.eu/enterprise/funding/index.htm>

- or obtained at the following address:

European Commission
Enterprise and Industry Directorate-General
Grant Programme 2008
Call for proposals No ENT/ERA/08/311- ERASMUS for young entrepreneurs
Contact: Mr Reinhard KLEIN
Office address: BREY 6/284
B-1049 Brussels – BELGIUM
Fax: (+32-2)-296.62.78 – e-mail: entr-entrepreneurship@ec.europa.eu

The proposal must be submitted in triplicate and placed inside two sealed envelopes. Both envelopes should be addressed to the department indicated above. It should bear the following description: ‘**Call for proposals No ENT/ERA/08/311**’ and the following note: ‘Not to be opened by the internal mail department’. If self-adhesive envelopes are used, they must be sealed with adhesive tape and the sender must sign across this tape.

8.2. Sending the proposal

Please note that electronic submissions are not allowed for this call.

Proposals must be submitted on paper

- a) Either by registered mail, postmarked no later than 20 August 2008, to the address indicated above.
- b) or by courier services, no later than 20 August 2008, to the address indicated above,
- c) or delivered by hand, i.e. by delivery in person or by an authorised representative, no later than 4 p.m. on 20 August 2008, to the following address:

European Commission
Enterprise and Industry Directorate-General
Grant Programme 2008
Call for proposals No **ENT/ERA/08/311- ERASMUS for young entrepreneurs**
Directorate E - Promotion of SMEs’ competitiveness
Unit E.1 – Entrepreneurship, BREY 6/284
Service central de réception du courrier
Avenue de Bourget, 1
B-1140 Bruxelles, Belgique

How to reach rue de Bourget 3:
http://ec.europa.eu/enterprise/calls/hand_delivery.html

Please note that for security reasons hand deliveries (including private courier services) are not accepted in other Commission’s buildings. An acknowledgement of receipt shall be delivered by the “Service central de réception du courrier”.

Evidence of timely submission by post or courier service will be constituted by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-delivery, the signed and dated receipt will serve as evidence.

Applicants shall strictly observe the above indications in order for proposals to reach their final destination on time.

9. EQUAL OPPORTUNITIES

The European Community has the task of promoting equality between women and men and shall aim in all its activities to eliminate gender inequalities (articles 2 and 3 of the EC Treaty). In this context, women are particularly encouraged to submit proposals.

10. PERSONAL DATA

Your grant application will be processed by computer. All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.¹⁷

Your replies to the questions in the Submission Set are necessary in order to assess your grant application and they will be processed solely for that purpose by the department responsible for the Community grant programme concerned. On request, you may be sent personal data and may correct or complete them. For any question relating to these data, please contact the Commission department to which the application must be returned. Beneficiaries may lodge a complaint against the processing of their personal data with the European Data Protection Supervisor at any time.

11. RECOMMENDED MONTHLY ASSISTANCE TO NASCENT ENTREPRENEURS

Country where the HE stays	Recommended amount per month while staying in this country/ €
Belgium	830
Bulgaria	560
Czech Republic	610
Denmark	1100
Germany	830
Estonia	670
Ireland	1000

¹⁷ Official Journal L 8, 12.1.2001.

¹⁸ The amounts mentioned are gross amounts (= maximum 90 % EU funding + minimum 10 % co-financing by European partnerships).

Greece	780
Spain	830
France	900
Italy	900
Cyprus	780
Latvia	610
Lithuania	560
Luxembourg	830
Hungary	670
Malta	720
Netherlands	830
Austria	900
Poland	610
Portugal	780
Romania	560
Slovenia	720
Slovakia	610
Finland	950
Sweden	950
United Kingdom	1000

12. ANNEX 1 SUBMISSION SET

13. ANNEX 2 GUIDE FOR SUBMISSION