



DEP4ALL Legal and Financial Infosheet

ELIGIBILITY OF PARTICIPANTS IN DIGITAL EUROPE PROGRAMME (DEP)

OBJECTIVE AND CONTENT OF THE INFOSHEET

The objective of this *infosheet* is to help applicants understand if they and their potential partners are eligible to participate in Digital Europe projects.

This is important because **only project proposals submitted by consortia that meet the eligibility criteria and fulfil the minimum requirements will be evaluated and, if positively assessed, considered for funding.**

LEGAL BASIS AND OTHER DOCUMENTS TAKEN INTO ACCOUNT

- Regulation (EU) 2021/694 of the European Parliament and of the Council of 29 April 2021 establishing the Digital Europe Programme and repealing Decision (EU) 2015/2240 - <u>DEP Regulation</u>
- Regulation (EU) 2023/1781 of the European Parliament and of the Council of 13 September 2023 establishing a framework of measures for strengthening Europe's semiconductor ecosystem and amending Regulation (EU) 2021/694 - Chips Act
- Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast) - <u>Financial</u> Regulation
- Standard <u>Application Form</u> for the Digital Europe Programme, V2.0, 1.06.2022
- General Model <u>Grant Agreement</u> for the Digital Europe Programme, V1.0, 1.11.2024
- Participation in Digital Europe Programme (DEP), Horizon Europe (HE) and European Defence Fund (EDF) restricted calls, V0.1 - DRAFT, 20 Dec 2021 - guidance document
- Treaty on the European Union and Treaty on the Functioning of the European Union
- Regulation on a general regime conditionality for the protection of the Union budget (EU Regulation 2020/2092)

ELIGIBLE ENTITIES

GENERAL RULES

To be eligible, applicants for the roles of beneficiaries and affiliated entities must be

- Legal entities (public or private bodies) established in one of the eligible countries (see section below)
- Any other legal entity created under Union law and any international organisation of European interest.

Legal entities established in a third country which is not associated to the programme can be eligible in specific actions where their participation is necessary to achieve the objectives of the





programme. However, such entities will not receive EU funding and shall bear the costs of their participation (unless specified otherwise in the work programmes).

SPECIFIC CASES AND DEFINITIONS

- ➤ **Natural persons**: natural persons are NOT eligible (with the exception of self-employed persons, i.e. sole traders, where the company does not have legal personality separate from that of the natural person).
- International organisations: international organisations are NOT eligible, unless they are international organisations of European interest meaning international organisations the majority of whose members are EU Member States or whose headquarters are located in an EU Member State (see Article 2 of the Digital Europe Regulation)
- ➤ Entities without legal personality: entities that do not have legal personality under their national law may exceptionally participate, when 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.
- **EU bodies**: EU bodies can NOT be part of the consortium; the only exception is the European Commission Joint Research Centre.
- Associations and interest groupings: entities composed of members may participate as 'sole beneficiaries' or 'beneficiaries without legal personality'. 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.

EXCLUSION

Organisations that are excluded by an EU decision or fall into certain exclusion categories cannot receive EU funding. These categories include:

- > Bankruptcy, court-administered affairs, creditor arrangements, or similar situations
- > Failure to meet social security or tax obligations
- Serious professional misconduct
- Involvement in fraud, corruption, criminal organizations, money laundering, terrorism-related crimes, child labour, or human trafficking
- Significant non-compliance with EU regulations concerning grants, contracts or similar
- Irregularities as defined by EU regulation on the protection of the European Communities financial interests
- Creation under a different jurisdiction to avoid legal obligations or creating another entity for this purpose
- Resistance to an investigation, check or audit.

Applicants will also be rejected if it turns out that:

- 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).

SPECIFIC EU MEASURES

➤ **EU restrictive measures**: Special rules apply for entities subject to EU restrictive measures under Article 29 of the Treaty on the European Union (<u>TEU</u>) and Article 215 of





- the Treaty on the Functioning of the EU (<u>TFEU</u>)¹. 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).
- ➤ EU conditionality measures: Special rules apply for entities subject to measures adopted based on the Regulation on a general regime conditionality for the protection of the Union budget (EU Regulation 2020/2092). Such entities are not eligible to participate in any funded role (beneficiaries, affiliated entities, associated partners, subcontractors, recipients of financial support to third parties, etc). Currently such measures are in place for Hungarian public interest trusts established under the Hungarian Act IX of 2021 or any entity they maintain (see Council Implementing Decision (EU) 2022/2506, as of 16 December 2022).

ELIGIBLE COUNTRIES

Eligible countries are

- **EU Member States** (including their overseas countries and territories)
- Countries belonging to the **European Economic Area** (Iceland, Liechtenstein, and Norway) they are fully associated to the programme and have access to all parts of the programme, including restricted calls (explained in another DEP4ALL L&F Infosheet).
- ➤ Other countries associated with the Digital Europe Programme they are associated only to parts (Specific Objectives 1, 2, 4, and 5) of the programme, not the entire programme.

Beneficiaries from **countries that are negotiating association agreements** in the period that a call is open for submission may participate in the call and can sign grant agreements 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).

<u>This list</u> provides an overview of all associated countries and the Specific Objectives they are associated with as well as countries currently negotiating their association agreement.

Specific conditions for every call topic are laid down in the specific call/topic in the work programme and the relevant call document.

In addition to fulfilling the conditions for eligibility pay attention to the conditions for consortium composition stated in the call document. When a consortium is required, pay attention if the other consortium partners are eligible to participate.

The participants must remain eligible under the DEP and the respective call for the entire duration of the action. Costs and contributions will be eligible only as long as the beneficiaries and the action are eligible.

REGISTRATION IN PARTICIPANT REGISTER

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¹ For an overview of these countries see the <u>EU Sanctions Map</u>; 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.





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

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

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