



European
Commission



Central Validation Service (CVS)

Role and Responsibilities

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Who we are?

Art. 147 of the EU Financial Regulation (e-Government):

*Union institutions, the executive agencies and the Union bodies shall ... design and implement solutions for the submission, storage and processing of data submitted in award procedures, and to that end, put in place a **single 'electronic data interchange area'** for participants.*



The CVS is a **centralised service** established by the Commission to provide support to participants in both grant and procurement procedures under SEDIA.

Art. 6(4)(a) of Commission Implementing Decision (EU) 2021/173

The CVS is in the mandate of the European Research Executive Agency (REA).

What we do?

- Verify the **legal existence** and the **legal statuses** of the entities, including:
 - ✓ *The appointment of their **Legal Entity Appointed Representative (LEAR)**;*
 - ✓ *The validation of their **bank accounts** in the accounting system of the Commission;*
 - ✓ *The validation of the **changes** for the already validated entities;*
- Prepare the **financial capacity assessment**;
- Perform the **ownership & control assessment** of participants in specific programmes.

Central Validation Service - warranties



Standardised and homogeneous set of data



Centralised information repository about participants



Unique validation



Paperless and electronic process



Re-usable records

Validation Process Overview

Registration

The organisations must register in the Participant Register (obtain a PIC)

Verification & validation of legal data

Based upon legal documents

LEAR

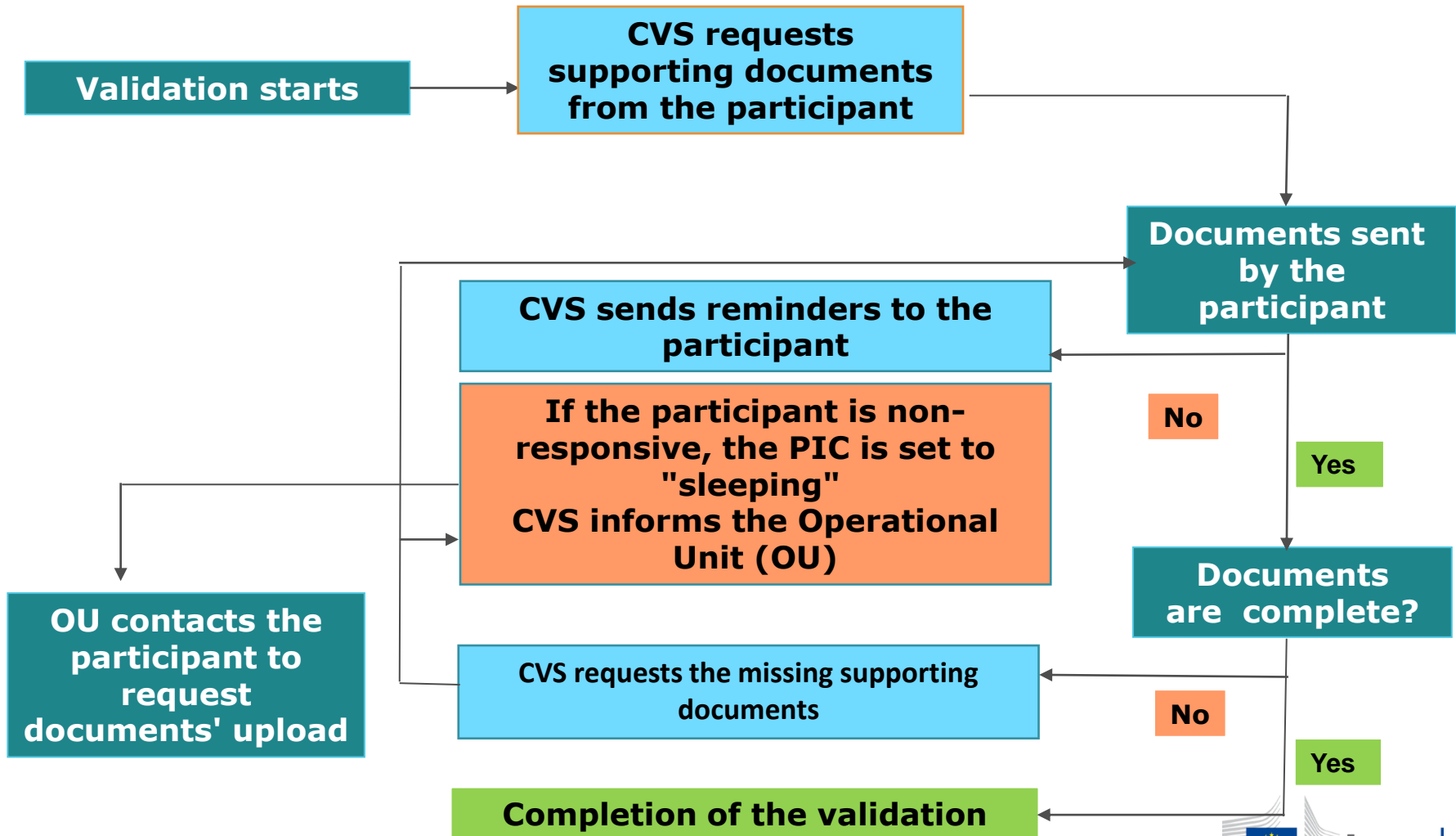
Mandatory for all validated participants

FCA

Financial Capacity Assessment if needed

COMMUNICATION VIA THE PARTICIPANT REGISTER

Central Validation Service workflow



Legal Entity Validation Documents

✓ Legal Entity Form

(template to be completed, dated, signed and stamped)

✓ VAT extract (< 6 months)

(if not registered for VAT – proof of VAT exemption)

- **Registration extract** (<6 months) – for private law bodies
- **Law/decreed/decision** – for public law bodies
- **Treaty** – for international organisations
- **Statutes** – for non-profit organisations

✓ Financial Identification Form *(if BAF requested)*

LEAR role and duties

In SEDIA, the appointment of the Legal Entity Appointed Representative (LEAR) is mandatory.

The LEAR:

- Notifies the EU of changes in the legal data/status;
- Submits legal and financial documents if requested;
- Manages access rights of persons in the organisation (but *not* at the project level);
- Nominates 'Account Administrators' and individuals authorised to sign:
 - ✓ Contracts/grant agreements and their amendments (Legal signatories, i.e. **LSIGN**);
 - ✓ Financial statements (Financial signatories, i.e. **FSIGN**).

LEAR appointment documents

1. LEAR appointment letter and Roles and Duties of LEARs (*duly signed by both the legal representative and the LEAR*)
2. Declaration of Consent to the EU Funding & Tenders Portal Terms and Conditions (*duly signed by the legal representative*)
3. Official proof of identity (*ID-card/passport with photo and signature*) of the legal representative and the LEAR
4. Proof of empowerment of the legal representative

Scanned version of these documents must be uploaded in the Participant Register. Originals of 1 and 2 must be kept in the entity's premises.

Financial Capacity Assessment documents

- ✓ Balance sheet
 - ✓ Profit and loss account
- } **For the 2 most recent closed and approved financial years**
(in official language, dated and signed)
- ✓ New established entities: Business plan
 - ✓ External audit report (or signed self-declaration) if the requested EU-contribution exceeds € 750.000 for action grants
 - ✓ Explanatory notes and/or annexes that form part of the above financial statements (if available)

The FCA is valid for 18 months from the closing date of the last assessed year

Communication

All communication to -and from- participants is exclusively managed **through the Participant Register.**

Messages are notified via e-mail to the contact person (i.e. self-registrant or the appointed LEAR).

Our key messages of today

- Popularize the "Rules on Legal validation, LEAR appointment and financial capacity assessment".
- Convey the message that participants:
 - ✓ *Must always have **access** to their PIC account;*
 - ✓ *Must ensure that sufficient **"backup" roles are appointed**;*
 - ✓ *Must **not upload** documents **before being requested by the CVS**;*
 - ✓ *Must **not wait for the last moment** to react;*
 - ✓ ***Ask questions** to the CVS preferably **via the PIC account** (if access is lost ask the Research Enquiry Service);*
 - ✓ *Do **not send validation documents to the Operational Services**;*

Access lost to non-valid/valid PICs

- **For non-valid PICs** - In case of no access to the PIC – a new PIC needs to be created and REA CVS must be informed.
- **For valid PICs** - If the LEAR is not available anymore and there are no Account Administrators, a new LEAR needs to be appointed – LEAR recovery procedure

<https://ec.europa.eu/research/participants/urf/lear-recovery/request/>

Guidance documents

- Rules on Legal validation, LEAR appointment and financial capacity assessment:
https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/rules-lev-lear-fca_en.pdf
- How to register in the Participant Register:
<https://webgate.ec.europa.eu/funding-tenders-opportunities/display/OM/Online+Manual>
- Online Manual, IT How to, IT and RES Helpdesk and specific FAQs on the Funding and Tenders Portal:
<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/support/support>
- Legal notice on the Funding and Tenders Portal (terms and conditions, data protection):
<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/support/legalnotice>

Thank you for your attention!

Questions?

Thank you



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