



REA Central Validation Service

Getting started -Registering your organization, Legal validation, Financial capacity assessment and Ownership control

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Presentation Outline

REA Central
Validation Service

Registration of
participants

Legal validation and
Legal entity
appointed
representative
(LEAR)

Communication

Financial capacity
assessment

Ownership control
assessment

Guidance
documents

REA Central Validation Service (REA CVS)

- Verifies **legal existence and legal statuses** of entities
- Validates the appointment of **Legal Entity Appointed Representatives (LEARs)**
- Validates **legal changes** of validated entities
- Assesses **universal takeovers (UTROs)** of validated entities
- Encoding **Bank Account requests**
- Prepares the **Financial Capacity Assessment**
- Performs **ownership control assessments** for specific programmes
- Performs ex-post status verifications (e.g. **SME & MID cap status checks**)

Registration of an organisation (at proposal stage)

Participant Register

 Need help?

If you want to participate in a call for proposals or in a call for tenders with eSubmission, your organisation needs to be registered and have a 9-digit Participant Identification Code (PIC). Please quote your PIC in all correspondence with the Commission.

The register contains all participants of EU programmes.

Is your organisation already registered? PIC search

Please check whether your organisation has already been registered. If so, no need to register it again.

Search a PIC

**Search for a
registered
organisation**

Register your organisation

To register your organisation or as a natural person, you need to login into the Portal or, if you are a new user, create your account.

Check what information you need to register in the Online Manual - and keep it to hand during the registration procedure. To start registration, click on the button below.

Register your organisation

**New
registration**

How to register in the Participant Register

Participant's Register Need help?

1 Identification 2 Organisation Data 3 Legal Information 4 Authorised Users 5 Summary 6 Success

Identification

Legal name * 240

Registration country * 50

Registration number 50

VAT number * 20 not applicable 500

[Review the Form](#) [Next](#)

Identification

(e.g. Legal name, VAT number)



Organisation data



Legal information



Authorised users

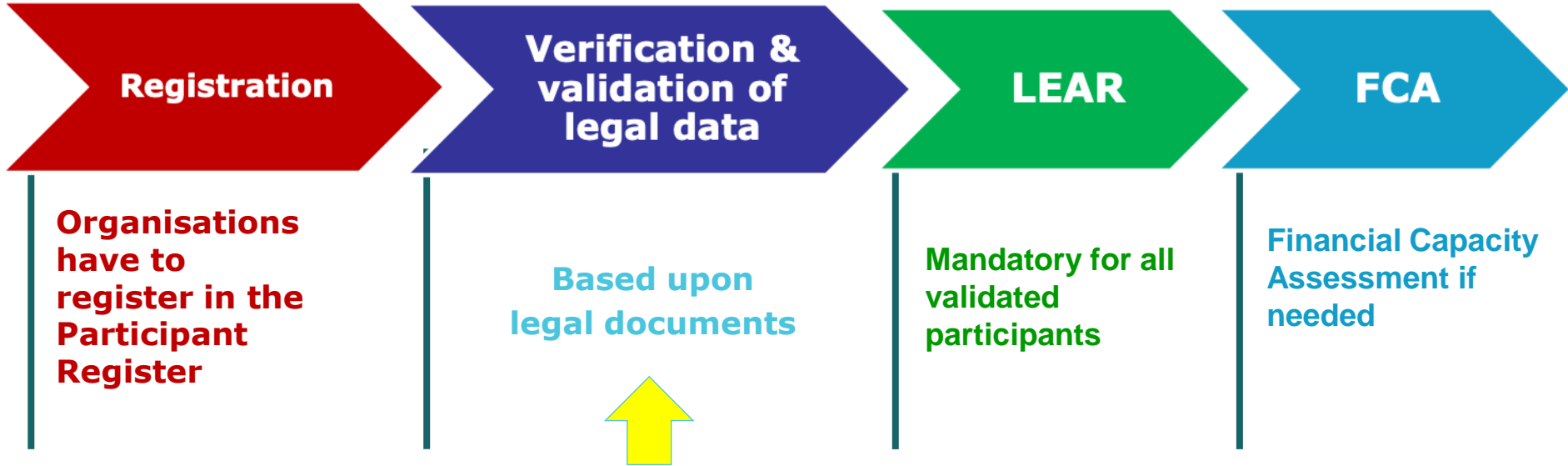
(e.g. Name, e-mail address of the self-registrant and the back-up)

Registration completed



New Participant Identification Code (PIC)
in a "declared" status

Validation Process Overview



COMMUNICATION VIA PARTICIPANT REGISTER

Legal validation

- Registration data is verified by REA Central Validation Service before the signature of the Grant Agreement or Contract
- The legal validation of a participant is done **once**, when the entity has to sign its first Grant Agreement or Contract and it is reused for future participations in EU grant and procurement actions
- Validation is always performed on the basis of supporting documents, in accordance to EU Financial Regulation and the Rules on Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment for EU Grants and Tenders

Legal validation documents

- ✓ **Legal entity form** (template to be completed, dated, stamped and signed)
- ✓ **VAT extract** (< 1 year)
 - ✓ *If not registered for VAT – proof of VAT exemption*
- ✓ **Registration extract** (< 1 year) – for private law bodies
- ✓ **Law/decreed/decision** – for public law bodies
- ✓ **Treaty** – for international organisations
- ✓ **Statutes** – for non-profit organisations

Communication

(e.g. request to submit legal documents or to appoint a LEAR)

All communication is exclusively managed through the Participant Register

European Commission <EC-NO-REPLY-GRANT-MANAGEMENT@nomail.ec.europa.eu>

to me ▾

Europa / Funding & Tenders Portal notification

Dear User,

You have been granted the role of **Self Registrant** for the organisation arquicios.

In order to access your organisation data on the Funding & Tenders Portal/Supplier portal, you need to log in on the F&T Portal/Supplier Portal. If you did not have an EU Login yet, it was launched automatically for a separate e-mail with a hyperlink to finalise your account.

For more information on the Funding & Tenders Portal roles, please refer to the [Online Manual](#) if you participate in the [programmes managed on the Funding & Tenders Portal](#).

For more information on the roles for e-Procurement, please refer to the [e-Procurement wiki page](#), if you participate in a tender call.

With kind regards,

EU Single Electronic Data Interchange Area - F&T Portal team

This email has been auto-generated. Please do not reply to this account. Your email will not be read. For any inquiries please contact the Grants Procurement Systems Support +32 (2) 29 71063 or EC-FUNDING-TENDER-SERVICE-DESK@ec.europa.eu.

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

Access lost to a declared or valid PIC

Declared PIC

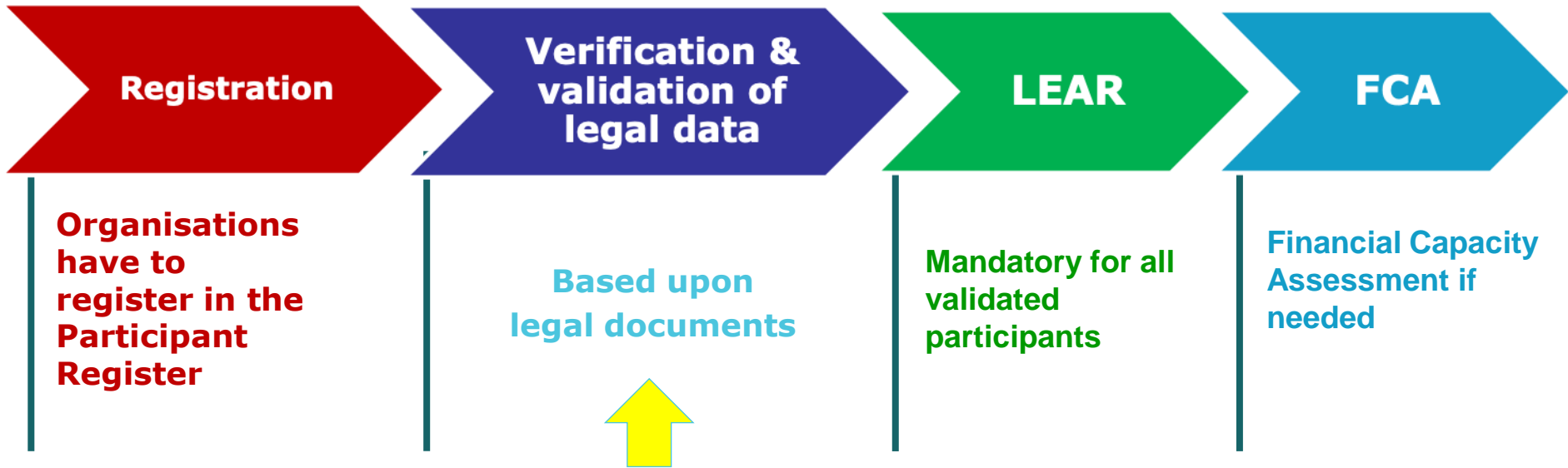
- In case the self-registrant left the organisation and no one has access to a declared PIC – a new PIC needs to be created and REA CVS informed

Valid PIC

- If the LEAR is not available anymore and there are no Account Administrators, a new LEAR needs to be appointed – LEAR recovery procedure

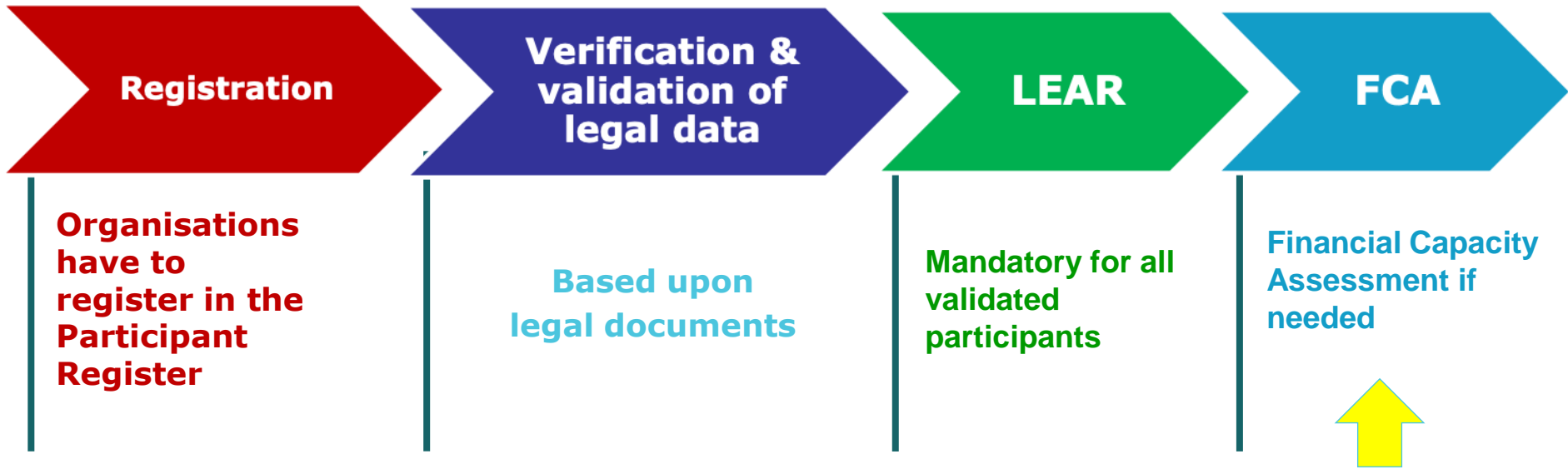
<https://ec.europa.eu/research/participants/urf/lear-recovery/request/>

Validation Process Overview



COMMUNICATION VIA PARTICIPANT REGISTER

Validation Process Overview



COMMUNICATION VIA PARTICIPANT REGISTER

Financial Capacity Assessment (FCA)

Legal basis

- Financial Regulation (2018/1046) articles 196 and 198
- Rules on Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment for EU Grants and Tenders.
- Call for Proposals (see the section “Financial capacity”)

When is the FCA needed?

- ✓ ALL beneficiaries, except for:

Financial Capacity Assessment (FCA)

Legal basis

- Financial Regulation (2018/1046) articles 196 and 198
- Rules on Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment for EU Grants and Tenders.
- Call for Proposals (see the section “Financial capacity”)

When is the FCA needed?

✓ ALL beneficiaries, except for:

public bodies (including local, regional or national authorities)

✓ Individual requested grant amount is **greater than EUR 60,000**

and

If FCA must be checked, you will be contacted by the Central Validation Service via Participant Register in the F&T Portal.

FCA supporting documents

(via Participant Register)

✓ Balance sheet

Balance Sheet

- ASSETS
- LIABILITIES
- EQUITY

FCA supporting documents

(via Participant Register)

✓ Balance sheet

✓ Profit and loss account

Balance Sheet

**Profit & Loss
account**

- REVENUES
 - EXPENSES
-
- Net result

FCA supporting documents

(via Participant Register)

- ✓ Balance sheet
- ✓ Profit and loss account
- ✓ Explanatory notes and/or annexes (if available)

Balance Sheet

**Profit & Loss
account**

**Explanatory
notes**

**Annexes
to the FS**

Details on accounts

Breakdown on items

Additional explanations

FCA supporting documents

(via Participant Register)

✓ Balance sheet

✓ Profit and loss account

✓ Explanatory notes and/or annexes (if available)

✓ Financial audit report

Financial Audit report

Opinion

- Unqualified
- Qualified
- Adverse
- Disclaimer

Balance Sheet

Profit & Loss account

Explanatory notes

Annexes to the FS

FCA supporting documents (via Participant Register)

✓ Balance sheet

✓ Profit and loss account

✓ Explanatory notes and/or annexes (if available)

✓ Financial audit report

...or Self Declaration on the accounts

if the requested EU-contribution exceeds
EUR 750.000 (art. 196 FR)

Financial Audit report

Opinion

- Unqualified
- Qualified
- Adverse
- Disclaimer

Self Declaration on the accounts

I, the undersigned
declare that the
accounts are:

- VALID
- no audit required

Signed

Balance Sheet

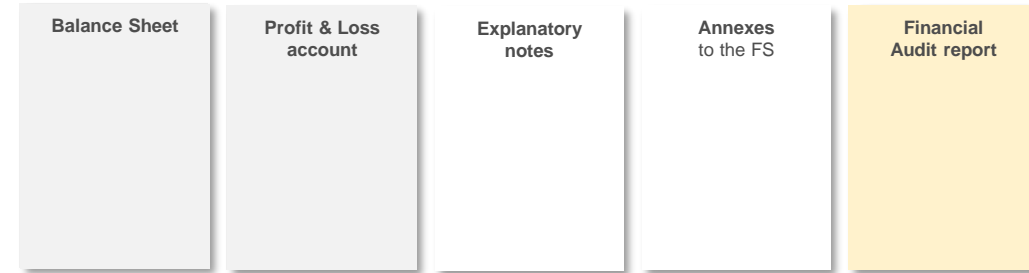
Profit & Loss account

Explanatory notes

Annexes to the FS

FCA supporting documents (via Participant Register)

- ✓ Balance sheet
- ✓ Profit and loss account
- ✓ Explanatory notes and/or annexes (if available)
- ✓ Financial audit report



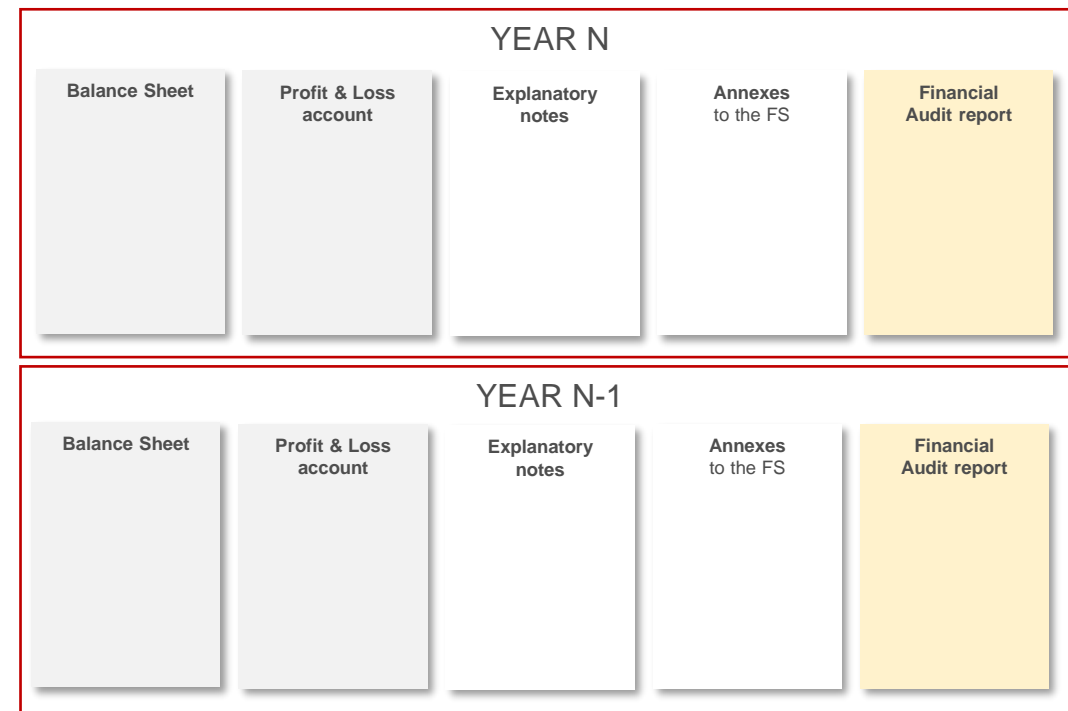
FCA supporting documents (via Participant Register)

✓ Balance sheet

✓ Profit and loss account

✓ Explanatory notes and/or annexes (if available)

✓ Financial audit report



For the 2 most recent closed and approved financial years

- official language
- dated
- signed

FCA supporting documents (via Participant Register)

✓ Balance sheet

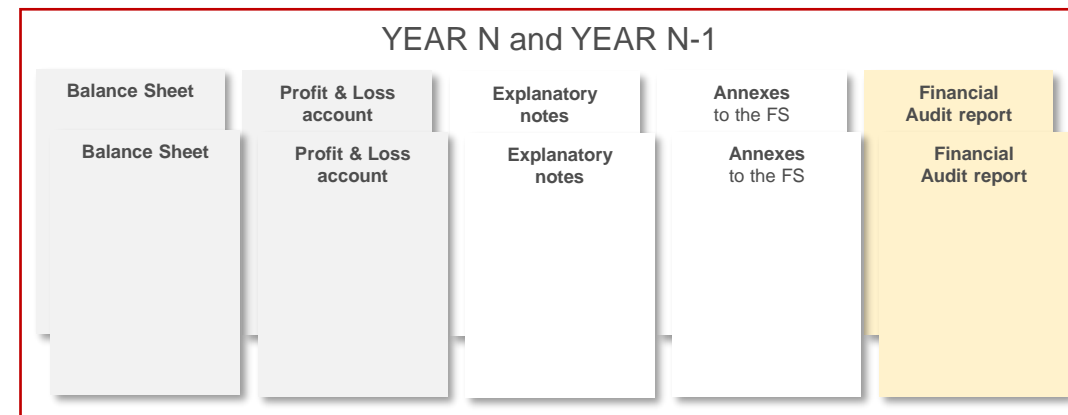
✓ Profit and loss account

✓ Explanatory notes and/or annexes (if available)

✓ Financial audit report

Newly established entities

✓ Business plan



For the 2 most recent closed and approved financial years

- official language
- dated
- signed

Business plan

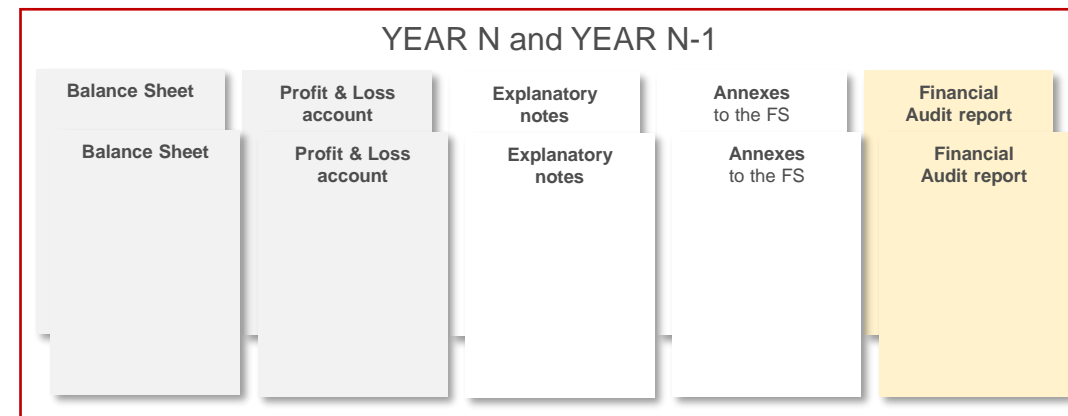
FCA supporting documents (via Participant Register)

✓ Balance sheet

✓ Profit and loss account

✓ Explanatory notes and/or annexes (if available)

✓ Financial audit report



For the 2 most recent closed and approved financial years

- official language
- dated
- signed

Newly established entities


✓ Business plan

Business plan

**Once completed, the assessment is valid for 18 months
from the closing date**

Financial Capacity Assessment: Requests in Participant Register

PIC 890116427

Organisation Data	Legal Information	Authorised users / LEAR	Bank Accounts	Financial capacity 	Messages 1	Documents	SME
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You might be requested to provide additional financial information. In this case you are asked to upload your financial statements containing the balance sheet, the profit & loss account, the corresponding explanatory notes and, under certain conditions, an audit report issued by a certified external auditor or a self-declaration on the validity of the accounts, signed by your legal representative, the template for which is available [here](#).

The financial statements must cover the last two most recent closed years. Note that, once uploaded, the financial statements for an accounting year with a closure date on or before 30 June will be displayed by the IT systems as related to the prior calendar year. [Find out more](#).

Closing date	Status	Actions
	Data Required	Provide necessary financial information

Financial Capacity Assessment: Requests in Participant Register


PIC 890116427

Organisation Data Legal Information Authorised users / LEAR Bank Accounts Financial capacity  **Messages 1** Documents SME

[+ New message](#)

Messages

Read messages of your organisation and send messages to the EC ValidationServices.

Subject ↑	Message	Context ↓	Date ↓	Actions
 * Financial capacity assessment - Request for documents	Dear Participant, Following your recent a...	Financial capacity assessment	06/07/2021	View

⏪ ⏩ **1** ⏪ ⏩



Ownership control assessment (OCA)



Ownership control assessment (OCA)

- **Legal basis:**

1. Regulation (EU) 2021/695 of The European Parliament and of the Council of 28 April 2021.
2. Rules on Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment for EU Grants and Tenders.
3. Guidance on Participation in Digital Europe Programme (DEP), Horizon Europe (HE) and European Defence Fund (EDF) restricted calls.

- **Exceptions** - OCA is not performed for:

- Entities which are validated as **public bodies**, which are considered as controlled by their country.
- Entities which self-declare to be controlled by a **non-eligible country**.

Ownership control assessment (OCA)

- **Ownership Control Declaration:**

- Submitted with proposal and presenting the current ownership structure and corporate governance based on official supporting documents.
- **Ownership structure:** complete ownership structure, i.e., including all layers of ownership/control up to the ultimate owners.
- **Corporate governance:** the decision-making bodies, rules regarding election, appointment, nomination or tenure, decision-making procedures within your organisation and its shareholders up to the ultimate owners.
- Commercial and financial links or other sources conferring control: if applicable.

Ownership control assessment (OCA)

- Ownership Control Declaration:

EU Grants: Ownership control declaration: V3.0 – 01.10.2023

OWNERSHIP CONTROL DECLARATION

(To be filled in by the project participants as part of the application. All declarations must be assembled by the coordinator and uploaded in a single file in the Portal Submission System.

Beneficiaries and affiliated entities must always provide the form; associated partners and subcontractors must provide it only if required by the call conditions (for HE, associated partners always). Entities that are validated as public bodies by the Central Validation Service are exempted since they will automatically be considered as controlled by their country.

Supporting documents do not have to be provided at application stage, but will be requested later on. You will receive a task notification asking you to upload the documents to your PIC account in the Portal Participant Register.

⚠ The supporting documents should reflect the situation at the moment you sign this declaration. Please be aware that additional evidence may also be requested later on, in case there are open questions about your ownership/control status.

⚠ Please note that the information in this declaration may be reused in case you apply to other EU calls that have ownership/control restrictions.

⚠ Please also note that you must inform the granting authority in case of changes in your shareholding during the project implementation, if these could impact the ownership/control requirements.)

DECLARATION ON OWNERSHIP AND CONTROL	
Participant	
Legal name:	
PIC:	
Legal registration number:	
Place of establishment: (country of registration; full address)	
Headquarters	
Location of global headquarters/head office: (full address)	
Location of the executive management structure: (if different from the location of global headquarters/head office; full address)	
<small>‘Executive management structure’ means a body appointed in accordance with national law, and, where applicable, reporting to the chief executive officer, which is empowered to establish the strategy, objectives and overall direction, and who oversees and monitors management decision-making.</small>	
Listed, subsidiary or controlled	
<small>Supporting documents: report/minutes of the last three shareholders meetings, for each of the listed companies.</small>	
Are you listed on a stock exchange?	Yes/No
Are you a subsidiary of a listed company?	Yes/No
Are you controlled by a listed company?	Yes/No
<small>If the reply is YES to any of these three questions, please provide:</small>	
Which stock exchange?	
Legal name of the listed company:	

EU Grants: Ownership control declaration: V3.0 – 01.10.2023

Share of the float in the total outstanding shares:				
<small>‘Floating stock’ is the result of subtracting closely-held shares from the total number of issued shares. It represents the portion available for unrestricted trade on a regulated stock market.</small>				
Ownership structure and specific rights				
<small>In the table below, detail any owners that:</small>				
<ul style="list-style-type: none"> – detain, directly or indirectly, at least 5% in the capital or at least 5% of the voting rights, including through any content, understanding, relationship⁽ⁱ⁾ or/and intermediary – have one or more of the following specific rights in relation to their ownership: <ul style="list-style-type: none"> – right to veto a transfer of shares – pre-emption rights – right to purchase additional shares or investment subject to conditions – right to sell shares (only for owners that are not established in eligible countries (i.e. legal entity) or do not have the nationality of one of the eligible countries (i.e. individual) and holding more than 5% of the voting rights). 				
<small>Supporting documents:</small>				
<ul style="list-style-type: none"> – commercial registry extracts, shareholders book or a declaration signed by the legal representative of the organisation and any other relevant document containing clear mention of the shareholders and their percentage of interest/voting rights. – shareholders’ agreement, memorandum of understanding among shareholders, statutes, articles of association or other relevant documents regarding the decision-making procedures within the legal entity, investment agreements between the shareholders, etc. – If there are legal persons as shareholders⁽ⁱⁱ⁾, please provide also a graph describing the different ownership layers/chain of control until the ultimate owners. 				
⚠ The supporting documents must show the complete ownership structure, for the entity and all its layers of ownership, up to the ultimate owners and should reflect the situation at the moment you sign this declaration.				
<small>(i) This includes voting agreements between shareholders that would together have more than 5% of the voting rights or 5% of the capital.</small>				
<small>(ii) Detaining at least 5% in the capital or at least 5% of the voting rights.</small>				
Owner name	Country of establishment/ or nationality	How is the ownership/control held		Specific rights attached to shares
		by share [%]	by voting right [%]	
Corporate governance				
<small>Describe briefly:</small>				
<ul style="list-style-type: none"> – the decision-making bodies, their composition as well as their nationality or place of establishment (where applicable); – the rules regarding election, appointment, nomination or tenure of members of the decision-making bodies or other management positions; – the decision-making procedures, including information regarding the required majority and/or quorum needed for decisions. 				
<small>Supporting documents: Documents establishing/describing the decision-making bodies, rules regarding election, appointment, nomination or tenure, decision-making procedures within the legal entity (e.g. articles of association bylaws, reports on corporate governance, etc).</small>				
<small>You can refer to specific sections of your supporting documents.</small>				
⚠ The same documents and information should be provided for each intermediate legal entity holding directly or indirectly 5% or more of the capital or voting rights, up to the ultimate owners of all the layers involved.				

Ownership control assessment (OCA)

- **Supporting documents:**

- **Ownership structure:** official documents demonstrating all direct and indirect shareholders, up to the ultimate owners. For instance: trade register extracts, shareholders' book, ...
- **Corporate governance:** official documents describing the decision-making processes within your organisation and its shareholders up to the ultimate owners. For instance: statutes, articles of association, shareholders' agreement, ...
- **Confidentiality:** All data and documents provided in the context of validation processes, including ownership control assessment are treated as confidential.

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>

Questions, please...

