



National Documentation Center
(EKT/NHRF)

FP7 Rules of Participation
Funding schemes
Financial issues
Evaluation Criteria
Implementation
Submission

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Outline of the presentation

- **Definitions- Participation rules**
- Funding schemes
- Financial issues
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Differences between FP6 ≠ FP7 Terminology

FP6

- Cost Model ≠
- Upper funding limit for R&D=100% ≠
- Indirect Cost for SSA/CA=20% ≠
- “Contract” becomes ≠
- “Contractor” becomes ≠
- “Instrument” become ≠
- “Audit certificate” becomes ≠
- Evaluation criteria ≠
- Financial Collective Responsibility ≠
- “Pre-existing know-how” ≠
- Knowledge ≠
- “INCO Countries” ≠

FP7

- “Does not exist any more”
- Upper funding limit 75%
- Indirect Cost for SSA/CA=7%
- “Grant Agreement”
- “Beneficiary”
- “Funding Scheme”
- “Certificate of Financial Statements”
- Evaluation criteria=3
- Not exist in FP7
- Background
- Foreground
- International Cooperation Partner Countries

Minimum conditions for participation

- 3 independent participants from 3 different Member States (MS) or Associated countries (Ac)
 - ❖ *Member States (MS): EU 27*
 - ❖ *Associated countries (Ac): EU non member countries associated to FP7, ie, Iceland, Liechtenstein, Norway, Switzerland, Israel, Turkey, Croatia and Serbia**

Provided this minimum has been achieved, **any number of additional participants from other countries can be included**

- Natural persons may participate
- Sole participants composed of members that meet the criteria above can participate
- JRC may participate and is deemed to be from a different MS or Ac (same principles for **international European interest organisations**; and entities established under Community law, eg, a European Economic Interest Grouping)
- **Additional conditions** can be established by the work programme (WP) or specific programme (SP) (e.g. specific cooperation activities dedicated to ICPC)

* list regularly updated at : http://cordis.europa.eu/inco/agreements_fp7_en.html

Minimum conditions for participation

- Collaborative projects for specific international cooperation actions (SICA) dedicated to international cooperation partner countries (ICPC) identified in WP – minimum is 4 participants of which 2 in different MS or Ac and 2 in different ICPC countries unless otherwise foreseen in work programme

The list of ICPC countries is given in annex 1 of the work programme

- **Frontier research actions (ERC):** at least **1 legal entity** established in a MS or AC
- **Coordination and support actions** and actions in favour of training and career development of researchers: **minimum of 1 legal entity** (except actions to coordinate research activities)
- Participation of international organisations and participants from third countries possible if in addition to minima

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Funding Schemes

- Collaborative projects (in former times IP; STREP)
- Networks of Excellence (NoE)
- Coordination and support action (CSA)
- Support for „frontier“ research (Ideas)
- Support for training and career development of researchers (Marie-Curie)
- Research for the benefit of specific groups (in particular SMEs; in former times CRAFT and Collective Research)

CP - Integrating Projects

➤ Activities in an Integrating Project may cover

- ✓ Research and technological development
- ✓ Demonstration
- ✓ Training activities
- ✓ Innovation linked activities
- ✓ Management of the consortium

✓ Experience of IPs in FP6

- ✓ Average duration: 36-60 months
- ✓ Optimum consortium: 10-20 participants
- ✓ Total EC contribution: 4-25 M€

Source: European Commission

CP – Focused Projects

- ✓ **Activities in a Focused Project may cover**
 - ✓ Research and technological development
 - ✓ Demonstration
 - ✓ Management of the consortium
- ✓ **Experience of STREPs in FP6**
 - ✓ Average duration: 18-36 months
 - ✓ Optimum consortium: 6-15 participants
 - ✓ Total EC contribution: 1-4 M€

Networks of Excellence (NoEs)

- **Activities in an NoE may cover**
 - ✓ Joint programme of activities (JPA)
 - ✓ Integrating activities
 - ✓ Joint research programme
 - ✓ Spreading of excellence
 - ✓ Management of the consortium
- **Experience of NoEs in FP6**
 - ✓ Average duration: 48-60 months
 - ✓ Optimum consortium: 6-12 participants
 - ✓ Total EC contribution: 4-10 M€

Coordination Actions

- ✓ **Activities in a Coordination action may cover**
 - ✓ Networking, coordination and dissemination activities
 - ✓ Management of the consortium
 - ✓ *(Coordination actions do not conduct S&T research !)*
- ✓ **Experience of CAs in FP6**
 - ✓ Average duration: 18-36 months
 - ✓ Optimum consortium: 13-26 participants
 - ✓ Total EC contribution: 0.5-2 M€

Support Actions

- ✓ **Activities in a Support action may cover**
 - ✓ Conferences, seminars, working groups and expert groups; Studies, analysis;
 - ✓ Fact findings and monitoring; Preparatory technical work, including feasibility studies; Development of research or innovation strategies;
 - ✓ High level scientific awards and competitions;
 - ✓ Operational support, data access and dissemination, information and communication activities
 - ✓ Management of the consortium (*Support actions do not conduct S&T research !*)
- ✓ **Experience of SSAs in FP6**
 - ✓ Average duration: 9-30 months
 - ✓ Optimum consortium: 1-15 participants
 - ✓ Total EC contribution: 0.03-3 M€

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Financial Issues

- ✓ **Reimbursement of eligible costs as the preferred method**, particularly at the beginning of FP7
- ✓ **Flat rates**: a percentage for indirect costs or scales of unit costs
- ✓ Lump sum amounts: in particular as option **for participants from ICPC** and, if provided for by work programme, **for NoEs**
- ✓ Combination possible (will be used for ERANET-PLUS)
- ✓ *Forms of grants to be used are specified in WP/calls for proposals*
- ✓ **ICPC participants may opt for lump sum financing**

Reimbursement of eligible costs

- ✓ **Cost reporting models eliminated**
 - ✓ Participants charge direct and indirect eligible costs
- ✓ **Average personnel costs accepted if: (new)**
 - ✓ Consistent with the management principles and accounting practices
 - ✓ and
 - ✓ they do not significantly differ from actual personnel costs= if identified according to a methodology approved by the Commission
- ✓ **Receipts** taken into account at the end of the project
- ✓ **Interest from pre-financing**

Indirect Costs

- ✓ For all beneficiaries:

Either on

- ✓ **real overheads**
- ✓ **simplified method**: only if **lack of analytical accounting** or legal requirements to use a form **cash-based accounting** prevents detailed cost allocation; in accordance with usual accounting and management principles (certification of methodology possible)
- ✓ **flat rate of 20%** of direct costs minus subcontracting and 3rd parties not used on the premises of the beneficiary

But:

- ✓ Non profit Public Bodies, Secondary and Higher Education establishments, Research Organisations and SMEs **unable to identify real indirect costs**, may apply for **a flat rate of 60% for funding schemes with RTD**.
- ✓ For Coordination and Support Actions limit **of 7% of direct eligible costs** (minus subcontracting and costs made available by 3rd parties which are not used on the premises of the beneficiary).

Maximum funding rates

- **Research and technological development activities** – up to **50%** of eligible costs except for: Public bodies, Secondary and higher education establishments, Research organisations (non-profit), SMEs– up to **75%**
- **Demonstration activities** – up to **50%** of eligible costs
- **Other activities (management, etc)** – up to **100%**
- **Coordination and support actions** – up to **100%** (Flat rate indirect costs: 7%)
- **Frontier research actions (IDEAS):** up to **100%**
- **Training and career development of researchers actions (PEOPLE):** up to **100%**

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Evaluation criteria

Divided into three main criteria

S&T Quality

- ✓ Concept, objectives, workplan

Implementation

- ✓ Individual participants and consortium as a whole
- ✓ Allocation of resources

Impact

- ✓ Contribution to expected impacts listed in the work programme
- ✓ Plans for dissemination/exploitation

Evaluation criteria

Criteria adapted to each funding scheme

- ✓ Specified in the work programme (annex 2)
- ✓ Given in Guide for applicants

Scoring

- ✓ Criteria scored out of 5 \Rightarrow total=15
- ✓ Individual threshold = 3;
overall threshold = 10

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Certificate on financial statements

- For claims of interim payments and final payments by a beneficiary when community financial contribution equal or superior to **375,000 Euro** (except for project of 2 years or less: the CFS is submitted just at the end)
- If EC funding for a participant does not reach 375,000 **no Certificate** on financial statement **is needed**.
- If above the threshold, mandatory for every beneficiary, except if a certificate on the methodology is provided

Certificate on the methodology

- Certificate on the methodology for calculation of costs (both personnel and indirect costs and the related control systems) verified by external auditor = **accepted by the COM = no intermediate certificate on the financial statements** for claims of **interim payments** necessary
- **Simplified certificate** for final payments

Grant Agreement

Structure

- Core part: Grant agreement parameters
- Annex I: Description of Work
- Annex II: General Conditions
- Annex III: Specific provisions for funding schemes(e.g. Research for SMEs)
- Annex IV, V & VI: Forms A(Accession of beneficiaries),B (Accession of new beneficiaries) & C (Financial Statement)
- Annex VII: Form D - ToR for the certificate of financial statements and Form E – ToR for the certificate on the methodology *(new)*

Consortium agreement mandatory (except if excluded by Call)

Grant agreement

Model grant agreement to be drawn up in close cooperation with MS:

- to establish **rights and obligations of participants** (including submission of reports, termination etc);
- identify whether and what part of EC financial contribution is based on reimbursement of eligible costs, lump sums or flat rates;
- Identify which changes in the consortium require prior publication of competitive call;
- shall reflect general principles of the European Charter for Researchers and the Code of Conduct for the Recruitment of Researchers
- specific **provisions for certain types of actions** (IPR particularly)
- grant agreement comes into force upon signature by coordinator and Commission and applies to each participant that accedes
- future significant modifications to be reviewed with MS

Grant agreement

- Participants implement work jointly and severally towards the Community and carry out work of a defaulting partner unless the Commission relieves them of that obligation.
- But: no more financial collective responsibility ≠ FP6
- Instead: establishment of a participant guarantee fund to cover risks.
- If implementation of the project is impossible or participants fail to implement it, the Commission shall ensure termination.
- Consortium agreements obligatory unless exempted by call for proposals - Commission will publish guidelines on content
- Changes in consortium membership possible

Guarantee Fund

The financial **responsibility** of each participant shall be **limited to its own debt**.

However, there is “technical responsibility” to carry out the project jointly and severally *vis-a-vis* the Commission

In order to manage the **risk associated with non-recovery of sums** due to the Community, the Commission will establish and operate a participant **Guarantee Fund**.

Guarantee Fund

- The **contribution to the Fund by a participant** to an indirect action shall **not exceed 5 %** of the Community financial contribution due to the participant

At the **end of the action** the amount contributed to the Fund **shall be returned to the participant**

- **Unless:** the interest generated by the Fund is insufficient to cover sums due to the Community, the **Commission may deduct* from the amount to be returned to a participant a maximum of 1%** of the Community financial contribution.

* **not for public bodies**, legal entities whose participation is guaranteed by a MS or an AC, and **higher and secondary education establishments**

Payment modalities

- One **pre-financing** (upon entry into force) for the whole duration will be agreed during negotiations (for projects with more than 2 periods = around 160 % of average funding per period;
Average = total EC contribution/nr of periods)
- **Interim payments** based on financial statements (*EC contribution = amounts justified & accepted * funding rate*)
- **Retention** (10%- released with final payment)
- **Final payment**

Intellectual Property Provisions

Terminology:

Background = information and attached rights

- which is held by participants prior to their accession to the grant agreement (no side ground)
- which is needed for carrying out the project or for using its results
- which may be defined by the participants

Foreground = all results of the project and attached rights

Intellectual Property Provisions

Ownership: each participant owns the foreground it generates

Joint ownership: in absence of a specific agreement:

- any joint owner is entitled to grant non-exclusive licenses to third parties (without any right to sub-licence)
 - with 45 days prior notice to the other joint owner(s) and
 - fair and reasonable compensation to the other owner(s)

Intellectual Property Provisions

Transfer of ownership of foreground:

Prior notification in principle **only to the other participants**; they may waive their rights

Where intention to transfer ownership of foreground to third party established in third country not associated to the FP7 = **Commission may object to transfers or exclusive licenses** (for ethical, competitiveness or security reasons)

Intellectual Property Provisions V

Protection, use, dissemination (publication)

- **Foreground** capable of industrial or commercial application **must be protected** taking into account legitimate interests
- Owner of foreground who does not wish to protect may **transfer** the foreground **to another participant or an (affiliate) entity established in a MS or associated country** or to the Commission
- **Foreground must be used and disseminated**
- Publications and patent applications **must indicate the Community financial assistance**

Intellectual Property Provisions VI

Access rights for implementation

to foreground shall be granted to other beneficiaries, if needed to carry out their work (royalty-free basis)

to background shall be granted to other beneficiaries, if needed to carry out their work (royalty-free unless otherwise agreed before accession to the grant agreement)

Intellectual Property Provisions VII

Access rights for use

foreground:

to other beneficiaries if it is needed to use their own foreground (subject to agreement – fair and reasonable conditions or royalty-free)

background:

to other beneficiaries if it is needed to use their own foreground shall be granted to other beneficiaries, if needed (subject to agreement – fair and reasonable conditions or royalty-free)

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Submission

- **Fixed deadline calls***
 - 17h00 Brussels Time
- One stage submission or
- Two step submission (Short proposal and full proposal):
According to the Specific Work Programme
- **Electronic submission only**
- EPSS (Electronic Proposal Submission System) is fully operational from 19 March

More Info.....

FP7 CORDIS: cordis.europa.eu/fp7

FP7 EUROPA: <http://ec.europa.eu/research/fp7>

Participate in FP7: cordis.europa.eu/fp7/participate_en.html

Useful documents: http://cordis.europa.eu/fp7/find-doc_en.html

Find a Call: cordis.europa.eu/fp7/dc/index.cfm

Thank you for your attention
Discussion- Questions ???