



APRE

Agency for the Promotion of
European Research

**Rules for participation in actions under
the Seventh Framework Programme
(2007-2013)**

Nicola Bergonzi



- 1. Participation**
- 2. Procedures**
- 3. Community financial contribution**
- 4. Dissemination and use, and access rights**



PARTICIPATION



Who can apply?

- ➔ Any undertaking, university or research centre or other legal entity, whether established in a Member State (MS) or Associated Country (AC)
- ➔ provided that minimum conditions have been met

Legal entity: any natural/legal person created under the national law of its place of establishment, or under Community law or international law, which has legal personality and which may exercise rights and be subject to obligations

Minimum conditions

3 independent legal entities

➔ from **three different** Member States or Associated countries

NEW!

JRC (Joint Research Centre) - International European Interest Organisations* - Entities established under Community law

➔ shall be deemed to be established in a MS or AC **other than** any MS or AC in which another participant in the same action is established

NEW!

**International Organisation, the majority of whose members are Member States or Associated countries, and whose principal objective is to promote S&T cooperation in Europe*

Minimum conditions – exceptions (1)



Frontier research projects (ERC)

NEW!

- ➔ at least 1 legal entity established in a Member State or in an Associated Country

Coordination/Support Actions

&

Actions in favour of training and career development of researchers

- ➔ at least 1 legal entity

Minimum conditions – exceptions (2)

INTERNATIONAL COOPERATION

NEW!

Specific cooperation actions dedicated to International Cooperation Partner Countries (ICPC) identified in Work Programme:

- ➔ at least 4 participants of which
- ➔ 2 from 2 different MS/AC
- ➔ and 2 from 2 different ICPC countries

Legal entities established in third countries and international organisations

- ➔ may participate after minimum conditions have been met

Minimum conditions – exceptions (3)

Where minimum conditions are satisfied by a number of legal entities, which together form **one legal entity**

(e.g. EEIG-European Economic Interest Group), the latter may be the sole participant, provided that it is established in a Member State or Associated country.



PROCEDURES





CALLS FOR PROPOSALS always except for:



- ➔ **coordination and support actions to be carried out by legal entities identified in the Specific Programme/Work Programme**
- ➔ **coordination and support actions consisting of a purchase of goods or services**
- ➔ **coordination and support actions relating to the appointment of independent experts**
- ➔ **other actions, where so provided by the Financial Regulation or the Implementing Rules**

Grant Agreement (FP6= Contract)

MODEL GRANT AGREEMENT to be drawn up in close cooperation with Member States

- *comes into force upon signature by coordinator and Commission and applies to each participant that accedes*
- *establishes rights and obligations of participants with regard to the Community (including submission of reports, termination, etc...)*
- *identifies whether and which part of EC financial contribution is based on reimbursement of eligible costs, lump sums or flat rates*
- *identifies which changes in the consortium require prior publication of competitive calls*
- *reflects general principles of the European Charter for Researchers and the Code of Conduct for the Recruitment of Researchers*
- *contains specific provisions for certain types of actions (IPR particularly)*

Technical implementation

Participants implement work
JOINTLY and SEVERALLY towards the Community



DEFAULTING PARTNER

=

*other participants shall comply with the grant agreement
without any complementary Community contribution
unless the Commission expressly relieves them of that
obligation*

NEW!

Consortium Agreement

Mandatory, save where otherwise provided in the call for proposals

To govern inter alia the following:

- *the internal organisation of the consortium*
- *the distribution of Community financial contribution*
- *rules on dissemination, use and access rights*
- *the settlement of internal disputes (including **cases of abuse of power**)*
- *liability, indemnification and confidentiality arrangements between the participants*

The Commission shall publish **GUIDELINES** on the main issues that may be addressed by participants in their **CONSORTIUM AGREEMENT** (including provisions on promoting the participation of SMEs)



COMMUNITY FINANCIAL CONTRIBUTION



Forms of grants

- ➔ *Reimbursement of eligible costs*
- ➔ *Flate rate financing, including **scale of unit costs***
(a pre-determined percentage, eg. indirect costs = % of direct cost minus those for sub-contracting)
- ➔ *Lump-sum amounts* (a pre-determined amount, in particular as option for ICPC and, if provided for by work programme, for NoEs)
- ➔ *Combination possible*

NEW!

No more cost reporting models (FP6= AC, FC, FCF)

- ➔ each participant charges direct and indirect costs
- ➔ flate rate always an option for indirect costs

NEW!

Co-financing, no profit

Eligible costs

DIRECT COSTS

- ➔ Costs attributable directly to the action
- ➔ Personnel, travels, equipments, sub-contracts, etc...
- ➔ Average personnel costs may be used if consistent with the management principles and accounting practices of the participant and do not differ significantly from actual costs

NEW!

INDIRECT COSTS

- ➔ Overheads, not attributable directly to the action (but incurred in direct relationship with the direct costs)
- ➔ Reimbursement of participants' costs depending on **single participant**

NEW!

Indirect costs (overheads)

All participants

- ➔ actual indirect costs (**FP6 = FC**) calculated using a simplified method, if this is in accordance with the participant's management and accounting principles

or

- ➔ a flat rate (= percentage) of direct costs (**FP6 = FCF**), excluding those for sub-contracting (this flat rate will be determined in the Model Grant Agreement - currently 20%)

Non-profit public bodies, secondary and higher education establishments, research organisations and SMEs

- ➔ 60% of direct costs (for calls 2007 - 2009)
- ➔ not lower than 40% (for calls from 2010 - 2013)

NEW!

Upper funding limits

Reimbursement of eligible costs	All participants	Non-profit public bodies, Secondary/Higher Education establishments, research organisation and SMEs
R&TD activities	50%	75% NEW!
Demonstration activities	50%	50% NEW!
Frontier research actions	100%	100%
Coordination and Support actions	100% (indirect costs = 7% direct costs)	100% (indirect costs = 7% direct costs) NEW!
Actions for training and career development of researchers	100%	100%
Other specific activities	100%	100%

Certificates on financial statements continued

but rationalised

NEW!

- ➔ Compulsory whenever the cumulative amount of interim payments to a participant **is equal or more than 375.000€**
- ➔ For indirect actions **up to two years, only one certificate** shall be requested
- ➔ No certificate if action is entirely reimbursed by means of lump sums or flat rates

Risk avoidance mechanism (1)

- ➔ No Financial collective responsibility **NEW!**
- ➔ “Guarantee Fund” **NEW!**
 - ➔ 5% of the **Community financial contribution** retained by Commission from the first advance payment
 - ➔ at the end of the action the amount contributed to the Fund shall be returned to the participant
 - ➔ **financial interests** generated by the Fund to cover sums due to the Community

At the end of the action, if interests gained are insufficient to cover losses, a **maximum of 1% of EC contribution** **NEW!** (5% - 1% = 4%) is deducted to the defaulting participant



The **deduction of 1% shall not apply** to public bodies, legal entities whose participation in the indirect action is guaranteed by a Member State or an Associated Country, and higher and secondary education establishments

Risk avoidance mechanism (2)

No more bank guarantees may be requested or imposed to participants



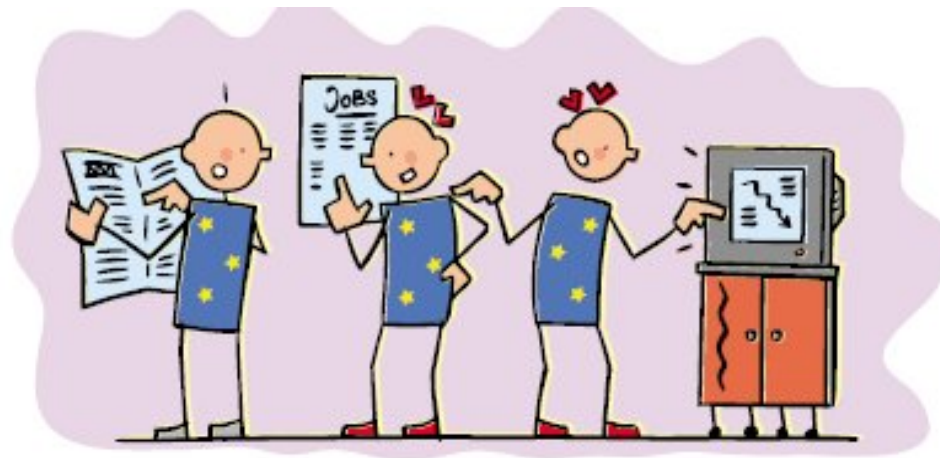
NEW!

EX-ANTE FINANCIAL CHECKS of:

- ➔ coordinators
- ➔ participants applying for a Community financial contribution higher than 500.000€, (except public bodies, legal entities whose participation in the indirect action is guaranteed by a MS or AC, and higher and secondary education establishments)
- ➔ in exceptional circumstances, when there are justified grounds to doubt the financial capacity of the participants



DISSEMINATION AND USE, AND ACCESS RIGHTS



'BACKGROUND'

(FP6 = 'Pre-existing know-how')

= INFORMATION AND ATTACHED RIGHTS

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

NEW!

'FOREGROUND'

(FP6 = 'Knowledge')

= ALL RESULTS OF THE PROJECT AND
ATTACHED RIGHTS

OWNERSHIP: each participant owns the foreground it generates

JOINT OWNERSHIP:

- ➔ the joint owners shall establish an agreement regarding allocation and terms of exercise
- ➔ where no joint ownership agreement has been concluded, **default joint ownership applies:**
 - ➔ each joint owner can grant non-exclusive licenses to third parties (with no right to sub-license), subject to
 - ➔ prior notice to the other joint owners
 - ➔ fair and reasonable compensation must be provided to the other joint owners

NEW!

TRANSFER of FOREGROUND:

➔ prior notice to the other participants (*who may object to any transfer of ownership which can adversely affect their access rights*)

➔ other participants may, by written agreement, waive their right to prior notice in the case of **transfers of ownership from a participant to a specifically identified third party**

NEW!

➔ the grant agreement may provide that the EC is to be notified in advance of any transfer (*Commission may object to transfers or exclusive licenses to third parties in non associated countries if contrary to ethical or competitiveness principles or security considerations*)

Protection, use, dissemination(publication)

- ➔ Foreground capable of industrial or commercial application must be protected [legitimate interests of participant]
- ➔ 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 AC or to the EC
- ➔ Foreground must be used and disseminated
- ➔ Notice of dissemination (including publication) to be given to other participants (**not to Commission unless no protection**) **NEW!**
- ➔ Publication and patent applications must indicate the Community financial assistance

Access rights

➔ participants may exclude specific background but **not necessarily** prior to signature of EC grant agreement

NEW!

➔ requests for access rights **within one year** or other period to be agreed by participants

NEW!

➔ possible to **grant exclusive licences to background and foreground** if other participants waive their rights

NEW!

➔ **special provisions** for certain types of actions (e.g. frontier research, research for the benefit of specific groups, security research)

NEW!



Thank you for your attention!

Nicola Bergonzi
APRE
+39 06 5911817
bergonzi@apre.it