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# Administrative and financial aspects

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# Introduction

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- Funding schemes
- Eligibility to participate
- Funding rates
- Eligible costs
- Proposal submission
- Proposal evaluation



# Funding schemes

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- Collaborative project
  - research or demonstration projects
  - developing new knowledge, new technology, products
  - expected to last typically two to five years, however there is no formal minimum or maximum duration
- Coordination and support action (coordination type)
  - fund work to coordinate research activity and policy
  - expected to have a duration of typically two to four years, however there is no formal minimum or maximum duration
- Coordination and support action (supporting type)
  - aimed at contributing to the implementation of the Framework Programmes
  - can involve single organisation only
  - expected to be shorter than coordinating actions from several months to two to four years, however there is no formal minimum or maximum duration



# Eligibility to participate

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- Any legal entity established in a Member State (MS) or Associated country (AC)
- International organisations and participants from third countries can participate only if in addition to the minimum consortium membership
- Minimum for collaborative projects and coordination and support actions (coordination type) is usually 3 independent participants from 3 different MS or AC
- Work programme can add conditions on number or type of participant , place of establishment



# Funding rates

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- Research activities: 50% of eligible costs except for:
  - SMEs: 75%
  - Public bodies: 75%
  - Secondary and higher education establishments: 75%
  - Research organisations (non-profit): 75%
- Demonstration activities: 50% of eligible costs (was 35% in FP6)
- Other activities (including management): 100%
- Coordination and support actions: 100% (check Call text as there is some variation in 2009 Calls)



# Cost categories

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## Direct costs:

- eligible costs which can be attributed directly to the project e.g. staff costs (recorded in timesheets), equipment, travel

## Indirect costs/overheads:

- cannot be identified by the participant as being directly attributed to the project, but which can be identified and justified by the accounting system as being incurred in direct relationship with the eligible direct costs attributed to the project
- Calculation
  - Actual overheads (for those with analytical accounting system)
  - 20% flat rate of direct costs, minus the costs of subcontracting and the costs of 3rd parties (60% for SMEs, public bodies, higher education, not for profit until 2009)
  - simplified method of calculating overhead costs



# Eligible costs

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- Actual
- Incurred by beneficiary (or third parties) during the project period (up to 60 days after end date for final reports)
- Based on usual accounting and management principles
- Recorded in the accounts of beneficiary (or third parties)
- Used for the sole purpose of achieving the objectives of the project in economic, efficient and effective manner
- Indicated in estimated budget of Annex I



# Ineligible costs

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- Indirect taxes including VAT
- Duties
- Interest owed
- Provisions for possible future losses
- Exchange losses
- Costs declared, incurred or reimbursed in respect of another Community project
- Debt or debt service charges, excessive or reckless expenditure



# Proposal submission

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- Electronic submission only
- Electronic proposal submission system (EPSS)
  - Available at least 4 weeks before the deadline
  - Part A is online web form
  - Part B is pdf upload
  - Don't forget to press submit
- Unique registration facility



# Proposal evaluation

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- Eligibility checks
  - Received by deadline
  - Meets minimum consortium requirements
  - Complete part A and part B
  - In scope (topic and funding scheme)
- Evaluation by independent experts against three evaluation criteria
  - S&T quality
  - Implementation
  - Impact



# Guarantee fund

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- No financial collective responsibility
- Instead establishment of a participant Guarantee Fund to cover risks
- However, there is “technical responsibility” to carry out the project jointly and severally
- Amount of 5% of EC contribution



# Further information

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- Guide for Applicants
- Guide to Financial Issues
- Standard model grant agreement
- EPSS user guide