



FP7 NEGOTIATION GUIDANCE NOTES
for
Collaborative Projects,
Networks of Excellence,
Coordination and Support Actions,
Research for the benefit of Specific Groups (in particular SMEs)

European Commission
Research DG-A2
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Legal & Financial NCP meeting—18 JUNE 2007





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Start of negotiations

The negotiation process kicks off with the letter of invitation to negotiations together with:

- the Evaluation Summary Report (ESR)
- the Negotiation Mandate



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Negotiation Mandate

Indicates:

- clarifications and **changes** to be made to the project (Based on the ESR)
- **maximum EC Contribution**
- **duration** for the project
- **deadline** for receipt of first draft of **DoW** and GPFs
- **deadline** by which time **negotiations** should be completed
- **contact details** of the responsible Project & Legal Officer at the Commission
- **Negotiation Meetings** (if needed)



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The letter of invitation also points to web addresses for:

- These guidance notes
- The model GA and special conditions
(http://cordis.europa.eu/fp7/find-doc_en.html)
- The Grant agreement Preparation Forms (GPFs) and supporting notes
(<http://cordis.europa.eu/fp7/...>)
- The "Guide to Financial Issues relating to FP7 indirect actions of the 7th FPs"
(http://cordis.europa.eu/fp7/find-doc_en.html)



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- The "Rules to ensure consistent verification of the existence and legal status of participants, as well as their operational and financial capacities, in FP7 indirect actions"
(http://cordis.europa.eu/fp7/find-doc_en.html)
- The checklist for a consortium agreement for FP7 projects http://cordis.europa.eu/fp7/find-doc_en.html)
- The guide to Intellectual Property Rules for FP7
http://cordis.europa.eu/fp7/find-doc_en.html
- [The SME Tech Web](#)



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Documents which are requested during negotiations:

- GA Preparation Forms (GPFs)
- Annex I
- If not already URF registered:
supporting documents to enable the Commission to verify legal existence and status of participants



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Two Negotiation Stages

1 – Technical Negotiations

2 – Legal and Financial Negotiations

The two are essentially linked



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1 - Technical Negotiations

To agree on the final content of the DoW including:

- Addressing the comments made in the ESR
- Verifying that the project objectives are SMART (S-Specific, M-Measurable, A-Attainable, R-Realistic, T-Timely)
- The list of deliverables (timing, content and dissemination level)
- The project milestones and their assessment criteria
- An indicative time schedule for the reporting and the project reviews.



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Annex I

The DoW is Annex I to the GA.

- Based on part B of the proposal, following the same basic layout and is similar for all funding schemes.

Templates of Annex I in Negotiation Guide

- Two parts:
 - Part A = budget breakdown (Form A3.2) and Project Summary Form (Form A1)
 - Part B = DoW based on Part B of the proposal



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Part B Section I – Concept & Objectives

- Explain the concepts of the project
- Describe the objectives in detail
 - Clear
 - Measurable
 - Verifiable
 - Achievable



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Part B Section I – Methodology and Work Plan

The Work plan should be detailed and broken down into Work Packages

- Timing of work packages
- Deliverables list
- Efforts for the full duration of the project
- List of milestones and planning of reviews



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Deliverables

Listed in a table of standard format detailing:

- WP reference number
- Beneficiary responsible for WP
- Estimated no. of Person/Months
- Date for submission

Compulsory Deliverables

- Periodic and final reports
- A dissemination and use plan
- Report on horizontal issues (gender and science & society related issues)



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Examples of Deliverables

- A report
- The construction of a prototype
- The organisation of a conference with the production of related proceedings
- The publication of a book
- The publication of a specification



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Project Effort Forms

2 Forms:

- **Project Effort Form 1** – Indicative efforts per beneficiary per WP (as in proposal)
- **Project Effort Form 2** – Indicative efforts per activity type per beneficiary NEW (different activity types have different reimbursement rates)



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Milestones

Points in time where major results have been achieved as a basis for the next phase of work, or control points at which decisions are needed

Indicative time schedule and plan project reviews



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Project Reviews

Reviews may be planned after the most important milestones and ideally in line with the end of project reporting periods

A special clause N° 5 can be added in the GA for specifying the timing of the review(s)



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Part B Section II – Implementation (1)

Management structure

Decision making procedures

Beneficiaries

- Description of the organisation
- Main Project Tasks for each beneficiary
- Previous relevant experience
- Names of key personnel involved



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Part B Section II – Implementation (2)

Subcontracting and other third parties

Tasks, estimated costs, justification

Funding for beneficiaries from 'other 3rd' countries

Full details need to be provided as to why the funding requested is essential



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Part B Section II – Implementation (3)

Additional Beneficiaries by Competitive Calls

- Timing of calls
- Expected budget
- Purpose
- Scope
- Procedure for publication
- Call evaluation



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2. Legal & Financial Negotiations

- Budget for full duration
- Budget breakdown per period
- Subcontracting and other third parties
- Pre-financing
- The capacity of the Coordinator to fulfil this role
- The start date of the project
- Any special clauses required



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Financial & Legal Checks

- The analysis and review of the legal status of each participant
- No financial check required for beneficiaries with a total estimated contribution of $< 500.000\text{€}$ who are not Project Coordinators.



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The GPFs

- Electronic submission for 1st negotiation round
- Must be completed by all applicants (even those who are not requesting a financial contribution)
- The use of the GPF editor is mandatory
- Basic information from the Proposal Submission Forms will be uploaded to pre-fill part of the GPFs
- Final version in paper with original signatures



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Completion of Negotiations

- Once agreement is reached on all technical, financial and legal issues a draft GA is sent to coordinator

GA signature

Coordinator signs two originals of the GA

- The coordinator must distribute a copy of the GA
- All beneficiaries must sign Form A to accede to the GA



APPENDICES

- Appendix 1 – Layout of 'Negotiation Mandate'
- Appendix 2 – Negotiation of ethical issues
- Appendix 3 – Consortium agreement
- Appendix 4 – Additional requirements for projects involving 'Classified information'
- Appendix 5 – Negotiation checklist template
- Appendix 6 – Templates for Annex I
- Appendix 7 – Subcontracting in FP7
- Appendix 8 – Gender Aspects in projects
- Appendix 9 – Grant Agreement Preparation Forms – GPFs