



EUROPEAN
COMMISSION

Community Research

FP7 Rules for Participation

NB: underlining = changes to FP6

**Regulation (EC) 1906/2006 of 18 December 2006, OJ L 391, 30.12.2006, p. 1 and
Regulation (Euratom) 1908/2006 of 19 December 2006, OJ L 400, 30.12.2006, p. 1**

Disclaimer

Aspects of this presentation interpret legal documents. Only these legal documents are legally binding



General principles I

- **Continuity of principles and procedures from FP6**
- Simplification where possible meanwhile respecting financial interests of the European Communities (EC/Euratom)
- Close involvement of stakeholders from the research community (Marimon-Report, Sounding Board of smaller actors, Luxembourg conference)



General principles II

Political debate with European Parliament and Council focussed on:

- Participant guarantee fund (instead of FP6 collective financial liability)
- Reimbursement of indirect costs for Universities, research organisations (after abolition of FP6 additional cost model) and SMEs
- IPR: access rights for affiliated entities



Important definitions

- **Public body** means any legal entity established as such by national law, and international organisations.
- **Research organisation** means a legal entity established as a non profit organisation which carries out research or technological development as one of its main objectives.
- **Higher and secondary education establishments** = Term used by Financial Regulation / Implementing Rules, includes universities, schools for applied sciences and similar.
- **SMEs** mean micro, small and medium-sized enterprises within the meaning of Recommendation 2003/361/EC in the version of 6 May 2003 (OJ L 124, 20.5.2003, p. 36).
- **International cooperation partner countries** = FP6 INCO countries – three categories according to income per capita (low-income, lower-middle-income, or upper-middle-income); will be identified as such in the work programmes.



Minimum conditions for participation

General:

- 3 independent participants from 3 different Member States (MS) or Associated countries (Ac)
- Natural persons may 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)
- Additional conditions can be established by the work programme (WP) or specific programme (SP) (e.g. number or type of participant, place of establishment)



Minimum conditions for participation

Specific:

- 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)
- Collaborative projects addressing the participation of international cooperation partner countries (ICPC) – minimum is 4 participants of which 2 in MS or Ac and 2 in ICPC countries unless otherwise foreseen in work programme.
- Participation of international organisations and participants from third countries possible if in addition to minima



Implementation and grant agreements

- Participants implement the indirect action 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.



Community financial contribution

Eligibility for Funding:

1. Legal entities from MS and Ac or created under Community law (and JRC)
2. International European interest organisations
3. Legal entities established in international cooperation partner countries (ICPC)

and

4. International organisations, third countries other than ICPC, if provided for in SP or WP; or essential for carrying out action; or provision for funding is provided for in a bilateral agreement between Community and the third country.
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General principles

Forms of grants

- **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)
- Determination of forms of grants to be used in the work programmes and calls for proposals

Principle of co-financing and no profit



Maximum funding rates I

- **Research and technological development activities:** up to 50% of eligible costs except for:
 - Public bodies: up to 75%
 - Secondary and higher education establishments: up to 75%
 - Research organisations (non-profit): up to 75%
 - SMEs: up to 75%
 - Security related research for highly reliable capabilities with impact on security of European citizens and targeted to a limited number of public users: up to 75%.
- **Demonstration activities:** up to 50%



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Maximum funding rates II

- Frontier research actions: up to 100%
- Coordination and support actions: up to 100%
- Training and career development of researchers actions: up to 100%
- Other activities: up to 100% including e.g. Management



- For all:
 - either actual overhead or simplified method
 - flat rate of 20% of direct costs minus subcontracting and 3rd parties not used on the premises of the beneficiary.

- For 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 CSA limit of 7% of direct costs



Cost reporting of direct and indirect costs

- Participants may charge direct and indirect costs.
- Indirect costs for all:
 - either actual overhead or simplified method
 - flat rate of 20% of direct costs minus subcontracting and 3rd parties not used on the premises of the beneficiary.
 - For 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 CSA limit of 7% of direct costs



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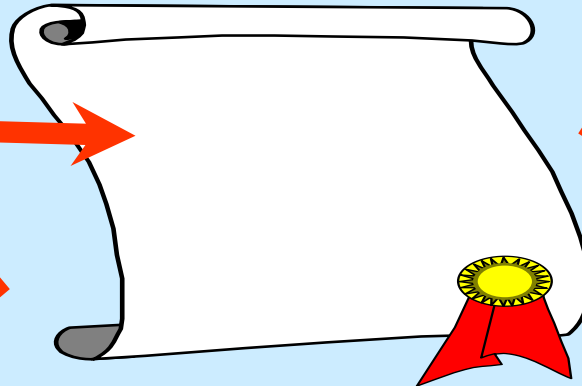
Thank you for your attention!

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Legal Framework



**INTERNATIONAL
AGREEMENTS**

**PARTICIPATION AND
IPR RULES**

**FRAMEWORK
PROGRAMMES
(EC/Euratom)**

**Grant
agreement**

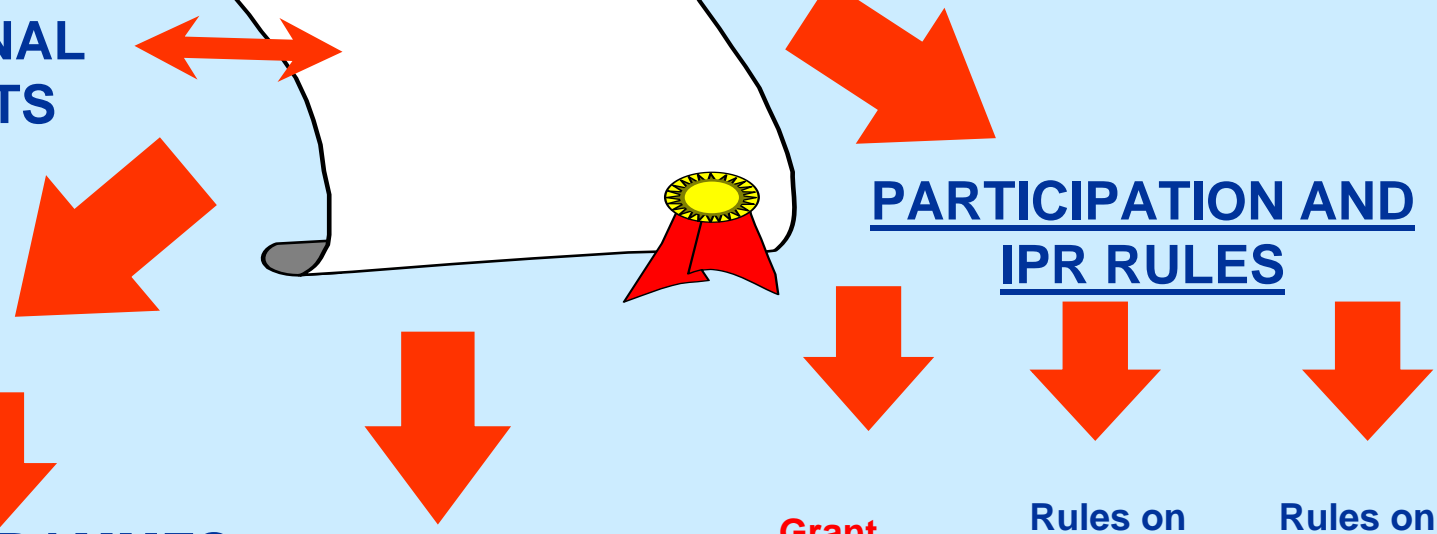
**Rules on
evaluation and
selection
procedures**

**Rules on
financial
capacity**

SPECIFIC PROGRAMMES

**Other relevant
EC Regulations
FINANCIAL
REGULATION/
Implementing Rules**

**WORK PROGRAMMES
&
Calls for proposals**





General principles III

Euratom FP7 Rules

FP7 Euratom Rules follow same principles as FP7 EC Rules, however adapted to specificities of the Euratom Treaty and content of FP7 Euratom (Nuclear Energy Research - Fission and Fusion):

- **Separate Chapter on Fusion**
- **Examples of topics not covered by Euratom Rules:**
 - International cooperation partner countries
 - ERC (SP "Ideas")
 - EIB / RSFF
- **Minor differences re IPR provisions**