



European Research Council
Executive Agency

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Guidance Notes for preparing the Grant Agreement

ERC Frontier Research Grants

(Starting Grant – Consolidator Grant– Advanced Grant – Synergy Grant)

July 2013

Disclaimer: This Guide is published by the ERCEA on <http://erc.europa.eu> It can also be downloaded from the CORDIS page on <http://cordis.europa.eu>

This guidance¹ is provided for information purposes and easing cooperation. These notes do not replace legal sources but aim at assisting participants who are invited for preparation of the Grant Agreement following the evaluation of their proposal. It outlines the information and procedures in the granting process.

¹ Neither the Commission nor any person acting on its behalf can be held responsible for the use made of these guidance notes.

SCOPE AND CONTENT

These guidance notes are provided for applicants who are undertaking the preparation of a Grant Agreement following the successful evaluation of proposals for ERC-grants organized under the "Ideas Specific Programme" of the 7th Framework Programme of the European Union ("the Union")².

The ERCEA Guidance Notes for preparing the Grant Agreement is divided into five parts:

- 1: The first steps to prepare the Grant Agreement
- 2: The Grant Agreement preparation process
- 3: Signing the Grant Agreement and further steps
4. Frequently asked questions
5. Appendices

This document outlines the essentials of the ERC Grant Agreement preparation process set up by the European Research Council Executive Agency (ERCEA).

Main modifications of the current guidance notes compared to the September 2010 version:

The following changes have been introduced in the present version of the Guidance notes for preparing the Grant Agreement:

1. The revised Guidance Notes give up-to-date description of the following types of funding grant types that exist under the IDEAS Specific Programme:

- (i) ERC Starting Grants (StG);
- (ii) ERC Advanced Grants (AdG);
- (iii) ERC Consolidator Grants (CoG);
- (iv) ERC Synergy Grants - introduced by the Work Programme 2013.

*For Synergy Grants, please note the terminology: Any reference in this Guide to the term "Host Institution" refers also to "Corresponding/Lead Host Institution" and any reference in this Guide to the term "Principal Investigator" refers also to "Corresponding/Lead Principal Investigator" unless otherwise specified.*²

2. Introduction: A new table inserted, summarising the steps for preparing the Grant Agreement.

3. What documents are needed during preparation of the Grant Agreement: Update of documents needed during preparation of the Grant Agreement.

3.1.iii. The Supplementary Agreement (SA):

N.B. only an electronic version of the signed and dated Supplementary Agreement is needed.

Initially only the draft SA is needed, when all documents are sent to the ERCEA within the first deadline indicated in the Invitation Letter. If, after sending the draft SA, revisions are made, a new draft should be sent to the Administrative / Financial Officer highlighting the changes.

After the completion of the technical and financial preparation, the Host Institution shall

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When the term "Lead Principal Investigator" is used in relation to the Synergy Grant following the terminology of the Ideas Work Programme 2012 (for example in the ERC Grant Agreement) it should be understood to mean Corresponding Principal Investigator under the Ideas Work Programme 2013..

provide the ERCEA with an electronic copy of the signed and dated SA. This copy is sent together with the original signed and dated grant agreement documents.

For Synergy grants:

The Corresponding/ Host Institution shall provide the ERCEA with an electronic copy of the Supplementary Agreement(s) between each Host Institution and its respective PI (s).

3.1.iv. The Grant Agreement Preparation Forms (GPFs)

After checking and validating the GPFs and in case of a change in the submitted data, the responsible Administrative / Financial Officer at the ERCEA will prepare a draft version of the Grant Agreement Preparation Forms (GPFs) and send it as a .pdf file to the Host Institution/ Principal Investigator to verify that its content is correct. If the contact person of the Host Institution approves the changes, the unsigned draft grant agreement will be sent to the Host Institution.

3.1. v. Banking information / Financial Identification Form

It is preferable to attach a copy of recent bank statement. Please note that the bank statement has to provide all the information listed above under 'ACCOUNT NAME' and 'BANK'. In this case, the stamp of the bank and the signature of the bank's representative are not required. The signature of the account-holder is obligatory in all cases.

4. Appendices:

Appendix 1 was updated to reflect the modified procedures on handling ethics issues.

Appendix 2 and 3 were revised to reflect changes in the proposal, as from 2012 onwards.

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1. INTRODUCTION

Due to the specificities of the “Ideas Specific Programme” this preparation process is intended to be mainly administrative with the understanding that usually only those proposals that require little or no adjustments to their substance are funded. All correspondence should be addressed to the official called Administrative / Financial Officer (named in the invitation letter), including the cases when modifications of the content of the project (Description of Work – see Appendix 3) have been introduced.

Summary Table for preparing the Grant Agreement

	Type	Main Actors (StG/ AdG/ CoG)	Main Actors SyG	
The first steps	The invitation letter	Principal Investigator/ copy to the Host Institution	Corresponding PI/ copy to the Corresponding Host Institution, Principal Investigators and their respective HIs	
	The invitation to log into NEF	Contact person of the Host Institution	Contact person of the Corresponding HI	
Grant agreement preparation process	Documents	Description of Work	Principal Investigator	Group of Principal Investigators
		Statement on the Changes	Principal Investigator	Group of Principal Investigators
		Supplementary Agreement	Principal Investigator / Contact person of the Host Institution	Principal Investigators and their respective HIs
		Grant Agreement Preparation Forms (GPFs)	Contact person of the Host Institution	Contact person of the Corresponding HI
		<i>Banking information / Financial Identification Form</i>	<i>Contact person of the Host Institution</i>	<i>Contact person of the Corresponding/HI</i>
		<i>Copy of Principal Investigator's passport</i>	<i>Contact person of the Host Institution</i>	<i>Contact person of the Corresponding HI</i>
		<i>Additional legal and financial documentation³</i>	<i>Contact person of the Host Institution</i>	<i>Contact person of the Corresponding HI</i>
		Draft Grant Agreement is sent to the Host Institution for signature.	Contact person of the Host Institution, copy to Principal Investigator	Contact person of the Corresponding HI, copy to the Principal Investigators
Signing the Grant Agreement	Grant Agreement signature	Authorised representative of the Host Institution	Authorised representative of the Corresponding Host Institution	
	ERCEA signature of the Grant Agreement	Return one duly signed original copy of the Grant Agreement to the Host Institution	Return one duly signed original copy of the Grant Agreement to the Corresponding HI	

³ Documents in *italics* are not always required. For further details on when the beneficiary has to sent those documents to the ERCEA, please see Section 3.1.

2. FIRST STEPS TO PREPARE THE GRANT AGREEMENT

Following the positive peer review evaluation of a proposal, including fixing the maximum financial contribution of the Union for the work, the Principal Investigator is invited by electronic mail from the ERCEA to start the preparation for a Grant Agreement. A copy of this electronic mail is addressed to the Host Institution.

In this electronic mail the Invitation letter and additional documents to guide through the granting process are attached. The Principal Investigator is requested to acknowledge its receipt and inform the ERCEA if the contact person of the Host Institution or its contact details, as declared in the proposal, have been changed in the meantime.

2.1. Contact person of the Host Institution

The Host Institution will identify one of its staff members as its contact person to carry out the actions required of the Host Institution. The contact person of the Host Institution is responsible for all contacts between the Host Institution and the ERCEA.

For multi-beneficiary projects and for Synergy grants with more than one Host Institution:

The principal beneficiary (Host Institution / Corresponding Host Institution) leads and represents the other beneficiaries (Host Institutions) with regard the preparation of the ERC Grant Agreement.

The contact person of the principal beneficiary/ Lead Host Institution is responsible for all contacts between the beneficiaries and the ERCEA. For a comprehensive description of the role of the principal beneficiary please refer to Article II.2 of the Annex II to the ERC Model Grant Agreement.

2.2. Contact of the ERCEA during the preparation of the Grant Agreement

The invitation letter specifies the name and contact details of the official (Administrative / Financial Officer) in charge of the preparation of the ERC Grant Agreement. This Administrative / Financial Officer will be able to assist with specific questions related to technical, legal and financial issues⁴.

Should applicants have general questions relating to the ERC Model Grant Agreement, or to general legal and financial issues, they are advised to submit them by following the link <http://ec.europa.eu/research/enquiries> and using the **Research Enquiry Service** to select the option "*Legal/Financial aspects of the FP*" from the drop down menu.

2.3. Invitation letter

The invitation letter provides details on all the issues that need to be addressed during the preparation of the Grant Agreement. The invitation letter shall indicate the deadline by which the Host Institution must provide the first drafts of the Annex I to the Grant Agreement (Description of Work) and the ERC Grant Agreement Preparation Forms (GPFs) including all supporting documents. The invitation letter also points to web addresses for:

- These Guidance Notes

⁴ During preparation of the Grant Agreement Projects any gender aspects that might be relevant to the project will be identified and can be explicitly included in the DoW. The Commission Recommendation of 11 March 2005 on the European Charter for Researchers and a Code of Conduct for the Recruitment of Researchers should be applied as a reference framework for recruitment - http://ec.europa.eu/euraxess/links/careers_en.htm.

- The Guide for ERC Grant Holders <http://erc.europa.eu/document-library>
N.B. Also, there is available a specific Guide for ERC Grant Holders. It differs from the standard FP7 Guides and is tailored to the ERC Grant Management needs.
- The ERC Model Grant Agreement and its annexes and any special conditions that could apply <http://erc.europa.eu/document-library>
N.B. The Grant Agreement ruling the Support to Frontier research by ERC is specific and different from the standard FP7 Model Grant Agreement. Before beginning preparation of the Grant Agreement, applicants are invited to carefully read the ERC Model Grant Agreement and its Annexes which establish the legal framework for the project's funding and administration. When reference is made in this document to the "Model Grant Agreement" it signifies the specific ERC Model Grant Agreement, unless otherwise stated.
- 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 template for the Supplementary Agreement for ERC projects <http://erc.europa.eu/document-library>
- The Guide to Intellectual Property Rules (IPR) for FP7 projects http://cordis.europa.eu/fp7/find-doc_en.html (under guidance documents)

Applicants will find an overview of the FP7 intellectual property (IPR) provisions in the Guide to Intellectual Property Rules for FP7 projects. In addition, an IPR-Helpdesk is available to assist potential and current beneficiaries taking part in EU funded projects on IPR issues. It can be contacted at: <http://www.ipr-helpdesk.eu/>, Telephone +352 25 22 33-333, fax + 352 25 22 33-334

- For proposals using or generating "Classified information", the Host Institution is invited to refer to Appendix 4 (Additional requirements for sensitive projects involving classified information) of the **FP7 Negotiation guidance notes** for further details on the procedures to be applied: http://cordis.europa.eu/fp7/find-doc_en.html (under guidance documents)

2.4. Online tool NEF

NEF is an online module available only via the Participant Portal <http://ec.europa.eu/research/participants/portal>. NEF must be used during the Grant preparation process to encode data of beneficiaries. It allows beneficiaries to **enter administrative data** required by the ERCEA. **These encoded data in NEF will be used to produce the Grant Preparation Forms (GPF's).**

Access to the project in the NEF system will be given to the contact person of the Host Institution. This contact person is confirmed in the Acknowledgement of Receipt sent by the Principal Investigator (see Section 2).

The contact person of the Host Institution receives an automatic notification from NEF as soon as the ERC opens a new session. Upon reception of this message, NEF is accessible to the contact person of the Host Institution via the Participant Portal. The ERCEA assesses and gives its comments on the data completed. Several NEF sessions may be opened and information exchanged in an interactive process until the ERCEA approves the final complete and valid set of data.

For multi-beneficiary projects and for Synergy grants with more than one Host Institution:

The contact person of the Host Institution/ Lead Host Institution is also responsible for submitting the NEF session on behalf of the beneficiaries and notifying the ERCEA that the NEF data is complete.

2.5. Ethics issues

If a project has been subject to an Ethics Review process, grant agreement preparation can not be concluded without taking full account of the relevant Ethics Screening/Review Report of relevant documents submitted by the Principal Investigator.

Proposals that have undergone an ethics review also receive an **Ethics Review Report**. For further references see Appendix 1.

3. THE GRANT AGREEMENT PREPARATION PROCESS

The overall purpose of the Grant Agreement preparation process is to finalise the details of the work to be carried out under the Grant Agreement, within the approved budget and to clarify the legal and financial information needed to establish the Grant Agreement.

The preparation process of the Grant Agreement is twofold: technical /scientific preparation and financial /legal preparation. The main steps of the above two processes are described in sections 3.2 and 3.3, respectively.

3.1. What documents are needed during preparation of the Grant Agreement?

The ERC Model Grant Agreement consists of a predefined core contract and its annexes.

The Description of Work (DoW) will become Annex I to the future ERC Grant Agreement. It is mainly prepared by the Principal Investigator (PI), on behalf of the Host Institution.

For Synergy grants: The DoW will be usually prepared by the group of Principal Investigators on behalf of their respective Host Institutions.

The Description of Work (DoW) is largely an updated version of the two parts of the original proposal, taking into account the comments made by the peer reviewers which are communicated in the Evaluation Report.

In a separate document, the Statement of changes, the PI declares any changes made to the DoW compared with the original proposal.

The contact person of the Host Institution submits the NEF data to the ERCEA to produce the Grant Agreement Preparation Forms (GPFs), which are used to set the specific conditions in the core contract (such as reporting periods, bank account coordinates, etc.). The contact person of the Host Institution is also responsible for sending the other supporting documents to the ERCEA Administrative / Financial Officer.

i. Description of Work (DoW)

This is the reference document for the work to be undertaken during the lifetime of the project. It will become Annex I of the ERC GA. It is thus an essential part of the Grant Agreement. It will facilitate the implementation and monitoring of the project. In the DoW, the project concrete goals and its expected results must be clearly described (see Appendix 3 for details).

The first draft of DoW is submitted by the Principal Investigator and /or the Host Institution within the deadline and to the email address set in the Invitation Letter. After its receipt, the

ERCEA Administrative / Financial Officer will indicate the changes needed in an interactive process.

ii. Statement on Changes

Any change(s) must be described clearly in a separate, one-page document titled Statement on Changes. It is submitted by the Principal Investigator and /or the Host Institution.

If no changes were made compared to the original proposal, the Principal Investigator must declare this clearly in this statement.

During the preparation of the DoW, the PI (*For Synergy grants: group of PIs*) may undertake changes regarding scientific execution of the project, based on comments made by the Evaluation Panel.

Any substantial change(s) will be assessed by the ERCEA and if needed, expert assistance will be requested. Substantial changes that were not declared to the Statement on Changes may lead to suspending the granting process and after further scrutiny, may lead to its termination.

iii. Supplementary Agreement (SA)

The Supplementary Agreement (SA) provides the legal basis of the internal relationship and responsibilities between the Principal Investigator and the Host Institution, and must be fully consistent with the provisions of the Grant Agreement. The SA is mandatory for all ERC projects.

For Starting Grant, Advanced Grant and Synergy grant:

N.B. Only an electronic version of the signed and dated Supplementary Agreement is needed.

Initially only the draft SA is needed, when all documents are sent to the ERCEA within the first deadline indicated in the Invitation Letter. If, after sending the draft SA, revisions are made, a new draft should be sent to the Administrative / Financial Officer highlighting the changes.

After completion of the technical and financial preparation, the Host Institution shall provide the ERCEA with an electronic copy of the signed and dated SA. This copy is sent together with the original signed and dated grant agreement documents.

A template with the minimum requirements for the Supplementary Agreement is provided at the following address: <http://erc.europa.eu/document-library>

For Synergy grants with more than one Host Institution:

More than one Supplementary Agreement will be drafted since each Host Institution needs to conclude a 'Supplementary Agreement' with its respective PIs to ensure the minimum requirements for the project implementation.

iv. Grant Agreement Preparation Forms (GPFs)

The Grant Agreement Preparation Forms are generated via the NEF online tool.

The GPFs are standard forms containing information needed to prepare the Grant Agreement.

They also include FP7 programme-wide statistical information. These forms are compatible with the forms used in the proposal submission; so part of the information provided in the proposal is directly transferred into the GPFs.

The GPFs have been designed to facilitate the preparation and the production of the Grant Agreement. Essentially, the forms are used to identify the Host Institution that will sign the Grant Agreement and to determine the eligible costs and the contribution of the Union. Certain details, principally forms A1 and A2, are used to generate a Project Fact Sheet. Appendix 5 of these Guidance Notes (including a full set of explanatory notes) has been included only for information; the actual layout in the IT tool may be different. The use of the IT tool for completing the GPFs is mandatory. An on-line manual for the IT tool is available once the user has logged in.

The GPFs may also be used as a reference base by the ERCEA when receiving financial statements during the lifetime of the project. Whilst the GPFs are not part of the ERC Grant Agreement, they are the basis for preparing the grant and hence it is essential that the information in the forms is correct and mirrors exactly the information in the DoW.

The contact person of the Host Institution will receive an email informing her/him that the access to the NEF tool has been opened.

After checking and validating the GPFs and in case of a change in the submitted data, the responsible "Administrative / Financial Officer" at the ERCEA will prepare a draft version of the Grant Agreement Preparation Forms (GPFs) and send it as a .pdf file to the contact person of the Host Institution/Principal Investigator to verify that its content is correct. If the contact person of the Host Institution approves the changes, the unsigned draft grant agreement will be sent to the Host Institution.

The GPFs will need to be signed by the authorised representative of the Host Institution. The Host Institution shall provide the ERCEA with the signed and dated original GPF's, sent together with the original signed and dated Grant agreement, after the completion of the technical and financial preparation.

For multi-beneficiary projects and for Synergy grants with more than one Host Institution:
The forms should be completed/signed by all beneficiaries (including those not requesting any funding). The GPFs have sections for each beneficiary, and also a section to be completed by the principal beneficiary for the project as a whole.

v. Banking information / Financial Identification Form

In case the bank account that will be used for the project is **not yet validated in the Commission's accounting system**:

- the Host Institution shall provide a duly filled in financial identification form. A template of the form is available in http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm

It is preferable to attach a copy of recent bank statement. Please note that the bank statement has to provide all the information listed above under 'ACCOUNT NAME' and 'BANK'. In this case, the stamp of the bank and the signature of the bank's representative are not required. The signature of the account-holder is obligatory in all cases.

vi. Copy of Principal Investigator's passport

A copy of the PI's passport or ID card or any identity document recognized by the national authorities will be sent.

NB: Principal Investigators who were interviewed during the evaluations of the proposal, e.g. in case of a StG call, and who already provided a copy of their identity document, are not required to provide further copies at the preparation stage, unless the identity document has been modified or renewed.

vii. Additional legal and financial documentation

a. Verification of legal status and financial viability of beneficiaries is one of the prerequisites for signing a grant agreement. If not already registered in the Unique Registration Facility http://cordis.europa.eu/fp7/pp_en.html (via the participant's portal), Host Institutions will have to provide supporting documents enabling the verification of their legal existence and status. .

For multi-beneficiary projects and Synergy grants with more than one HI: The same applies to any other beneficiary

N.B. Third parties intending to carry out parts of the work (cases of Special Clause 10 to the Grant Agreement), must also be validated and have a PIC (Personal Identification Code).

Any request for change in the legal data must be made by the Legal Entity Appointed Representative (LEAR).

b. Non-public Host Institutions which are not higher education institutions have to provide copies of certified profit and loss account and balance sheet corresponding to the last two financial years for financial viability checking. *The same applies to any other non-public beneficiary requesting more than EUR 500.000 contribution of the Union in a multi-beneficiary project.* Extensive information about these verifications can be found in the document "Rules on verification of existence, legal status, operational and financial capacity" available from the CORDIS website on the following page: http://cordis.europa.eu/fp7/find-doc_en.html

3.2. Scientific/Technical preparation

The aim of the scientific / technical preparation is to agree on the final content of Annex I (Description of Work) of the Grant Agreement.

This part of the preparation is intended to be mainly handled by the Principal Investigator.

During this part of the preparation process:

- The Description of Work – which is based on the proposal - may need to be adapted to meet the recommendations of the evaluation, as described in the Evaluation Report.
- The work to be carried out by the Host Institution, (*or by each of the beneficiaries, in case of multi-beneficiary project and Synergy grants with more than one HI*) taking into consideration the specific role of the Principal Investigator, will need to be defined in sufficient detail.
- The reporting periods will be established.

3.3. Financial and legal preparation

The financial preparation shall mainly focus on agreeing on budgetary matters such as the budget breakdown for the different financial management reporting periods, issues related to subcontracting and third parties, etc. Also, the amount of the initial pre-financing will be agreed.

The legal preparation includes the analysis and review of the legal status of each beneficiary, any special clauses required for the project, and other aspects such as the project start date.

This part of the preparation is intended to be mainly handled by the administration of the Host Institution. If this is not the case, the Host Institution is expected to provide all the necessary administrative support to the Principal Investigator to handle this preparation.

During the financial and legal preparation:

- The existence and legal status of the Host Institution will be verified.
 - The financial viability of the non-public Host Institution (and any other non-public beneficiary with a contribution of the Union exceeding EUR 500,000) will be assessed, as outlined in the "Rules to ensure consistent verification of the existence and legal status of participants", as well as their financial capacity.
 - At this stage, the Host Institution (or the principal beneficiary for multi-beneficiaries projects) has to provide the details of the bank account on which the prefinancing shall be installed.
 - The total eligible costs will be determined.
 - A table of the estimated breakdown of the budget detailing the financial contribution of the Union per categories (personnel, equipment, consumables, travel, publication costs, other direct costs, subcontracting) will be agreed. For durable equipment, only the proportional depreciation costs per reporting period can be charged.
 - The amount of pre-financing will be established.
 - The Principal Investigator's dedication time to the project will be confirmed
 - The start date of the project will be agreed, unless there is an ethics review pending.
 - N.B. The start of the project normally takes place the first calendar day of the month following conclusion of the grant agreement. Due to the ground-breaking nature of frontier research projects, it is expected that all projects start within 6 months from the invitation to initiate the preparation of the granting process.*
 - The Model Grant Agreement also foresees a third option for the start date (operational start date notified by the beneficiary) but for the sake of simplification of the granting process, beneficiaries are advised not to consider this option.*
- i. The ERC project will start on the first day of the month following the entry into force of the Grant Agreement (entry into force = signature by the ERCEA)
 - ii. A specific (fixed) start date can be agreed during the preparation of the Grant Agreement.
 - iii. A fixed start date later than 6 months following the receipt of the invitation letter will be considered only if it is duly justified by specific scientific reasons or by special personal circumstances (e.g. maternity leave).

- iv. If the Principal Investigator requires a specific fixed start date that precedes the entry into force of the grant agreement, full scientific justification should be sent to the Administrative / Financial Officer prior to the finalisation of Annex I to the GA and of the GPFs. The ERCEA may refuse this request if no sufficient and acceptable justification is provided.
 - v. In any case, projects shall always start on the 1st calendar day of the month and no other date will be considered.
- The need for the inclusion in the Grant Agreement of any special clauses will be evaluated.
 - The standard financial reporting periods of 18 months will be introduced, resulting in a "18-18-18-6" scheme for a 5-year project, "18-18-12" for a 4-year project and "18-18" for a 3-year project.

N.B: The financial reporting periods usually do not coincide with the scientific reporting periods.
 - Any subcontracting or third-party issues will be clarified (for more details on subcontracting please refer to Appendix 4).

3.4. Some points to remember

- i. The invitation to start the preparation of the ERC Grant Agreement does not, under any circumstance, guarantee the funding of a project.
- ii. The funding of the proposal may depend on the Host Institutions' acceptance of changes laid out in the Grant Agreement specific conditions.
- iii. The maximum amount of funding for a project is fixed in the ERC core Grant Agreement.
- iv. In some cases the ERCEA may not be able to enter into a Grant Agreement with certain legal entities because of financial insecurity, other limitations imposed by the Financial Regulation or for reasons of irregularity or violation of fundamental ethical principles. In such cases, the ERCEA may terminate the preparation of the Grant Agreement.
- v. *For multi-beneficiary projects and for Synergy grants with more than one Host Institution:* The prefinancing shall be paid to the principal beneficiary/ Corresponding Host Institution who receives it on behalf of the beneficiaries. The Host Institution / Corresponding Host Institution can only distribute the pre-financing to those beneficiaries that have signed the accession form and acceded to the Grant Agreement.

4. SIGNING THE GRANT AGREEMENT AND FURTHER STEPS

At the end of the preparation process, agreement should be reached on all technical, financial and legal issues related to the ERC Grant Agreement and the Host Institution should be in the position to prepare and send a final version of the relevant documents to the Administrative / Financial Officer indicated in the invitation letter.

When all the necessary legal and financial information required has been received and validated by the ERCEA, the Grant Agreement is drafted and sent to the Host Institution for signature.

4.1. Grant Agreement signature

Upon receipt of the Grant Agreement, the authorised representative of the Host Institution signs - on behalf of its organization- two originals of the Grant Agreement and one original of the GPFs and returns them to the ERCEA. The ERCEA will sign the Grant Agreement after completion of all its internal procedures and will return one duly signed original copy of the Grant Agreement to the Host Institution.

For multi-beneficiary projects and for Synergy grants with more than one Host Institution:

The Host Institution / Corresponding Host Institution must distribute in parallel a copy of the Grant Agreement to the other beneficiaries, along with the accession form – the form for the other beneficiaries to accede to the Grant Agreement and which constitutes the Annex III to the ERC Model Grant Agreement. All beneficiaries must sign the accession form to accede to the Grant Agreement. Three duly completed originals of the accession form are signed by each beneficiary and returned to the principal beneficiary for its signature. When the principal beneficiary has signed all the accession forms, it sends one original of the accession form to each beneficiary and one original to the ERCEA, keeping one for its records. The authorised representative of each beneficiary must also sign the original of the GPFs that are sent to the ERCEA together with the two signed copies of the GA.

The ERC Grant Agreement covers the project as a whole and binds each individual beneficiary that has acceded to it. This has a number of important consequences:

- If one potential beneficiary fails to accede to the Grant Agreement, it is up to those beneficiaries who have acceded to the Grant Agreement to propose an acceptable solution to the ERCEA; either by reallocating the work of the missing beneficiary among them or
- by the accession to the Grant Agreement of a new beneficiary. The ERCEA may terminate the Grant Agreement if it considers that due to this change the project is no longer viable or has been fundamentally changed, compared to the evaluated proposal.
- If a beneficiary subsequently withdraws from the Grant Agreement, the others remain responsible for the completion of the work, including the part allocated to the withdrawn beneficiary (technical collective responsibility).

4.2. Start of the project

The relevant provisions of the Grant Agreement will determine the start date of the project, as it has been agreed during the preparatory phase.

Costs can be incurred from the start date of the project but not before (with the exception of a mutually agreed early start date justified by exceptional scientific reasons).

4.3 Project monitoring and follow-up

When the Grant Agreement is concluded, each project file is transferred from the Grant Preparation to the Grant Implementation Unit within the ERCEA and a new Financial Officer is attributed. The following address should be used for any communication concerning the Grant Agreement: ERC-C2@ec.europa.eu (GA Article 8 - Communication).

5. FREQUENTLY ASKED QUESTIONS (FAQs)

The ERCEA has a dedicated section in its website for FAQs that are regularly updated and can be found at: <http://erc.europa.eu/faq>

6. APPENDICES

6.1. Appendix 1 –Ethics issues

Ethics is important throughout the project lifecycle, from concept to dissemination of results. If there are ethics issues associated with a project the applicants must describe how these will be dealt with in Annex I to ERC GA.

Ethics issues are to be addressed by project proposals that involve the collection/experimentation with humans (including clinical trials), and/or human tissue, the collection or processing of personal data, human surveillance and intervention of any kind of experimentation with animals, genetic information, etc.

Proposals that raise research ethics issues or those that do not address them adequately are usually identified at the end of the scientific evaluation as needing additional attention by an Ethics Screening and/or Ethics Review Panel (ethics screening and ethics review are parts of the ethics review process).

If a project has been subject to an Ethics Review process, grant agreement preparation can not be concluded without taking full account of the relevant Ethics Screening/Review Report of relevant documents submitted by the Principal Investigator.

The Ethics Review process within FP7 has two important functions:

1. To ensure that the European Commission does not fund any research that is ethically unsound or questionable.
2. To continuously raise awareness amongst researchers of ethics issues that may be raised by their research and enable them to address these adequately. This is particularly important for new and developing areas of research and technology (eg. genomics, IT, nanotechnology and security technologies), which had not until recently raised any ethics issues but where due to innovative research ethics considerations can become important.

Any project that includes research on human embryos or human embryonic stems cells; or research on non-human primates; or research intervention on human being (unless covered by Directive 2001/20/EC) will automatically be submitted to an Ethics Review organised by the ethics sector in DG Research at the Commission.

Normally an ethics review will have been carried out and the Ethics Review Report will be available by the time grant agreement preparation begins. However, for some proposals requiring an ethical review this may not be the case. Where the approval of the national competent authority and/or a favourable opinion of the relevant ethics committee is/are not obtained before the start of the Grant Agreement (or expire during the life-time of the project), a special clause can be added to the GA requiring the relevant authorization or opinion to be obtained before the start of the corresponding research activities. (Special Clauses 15 and/or 16)

For further details see on

<http://ec.europa.eu/research/science-society/index.cfm?fuseaction=public.topic&id=1289&lang=1>

If the proposal contravenes the fundamental ethics principles of FP7 and this is unable to be resolved, the project may be stopped at any point in the peer review evaluation, selection and award at any time.⁵

Management

Where ethical issues are addressed by the project proposal, appropriate management of these issues should be guaranteed in the overall project management. This can be done in different ways, such as by involving one or more ethicist in the management board, by creating a separate management board for the ethical issues, by adding a work package to analyse in depth the important ethical issues involved or by working on an ethical impact assessment of the project. Sometime it might be advisable to choose a mixture of these measures.

Reporting

The periodic report should devote a section to describing the handling of the ethical aspects of the project.

The ethics review report in ERC Grant Agreement preparation

The ethics review report has three elements that have to be taken into account in the preparation of Annex I to ERC GA.

Requirements

These conditions have been identified as necessary in order to fulfil FP7 ethics conditions. The requirements will refer to the individual work programmes in which they must be incorporated. Annex I to the GA must demonstrate that these conditions are met and followed by the beneficiary.

Where additional information is required such as the approval of a national authority or the positive opinion of a local ethics committee, **the beneficiary** must ensure that these are obtained prior to the start of the relevant research work. In order to avoid 'micro management' and over burdening the Scientific Officers the availability of such approvals can be retrospectively verified in each progress report.

When the use of embryo / human embryonic stem cells (hESC) is involved, an additional approval is needed (regulatory procedure laid down in Articles 5 and 7 of Decision 1999/468/EC) prior to the start of any work. A special clause needs to be inserted in the Grant Agreement relating to embryo / hESC use (special clause 14).

If other requirements have been formulated or identified, the periodic report will have to report on these issues.

Recommendations

Recommendations from the Ethics Report panel for improving the ethical soundness of the project may be a part of the preparation of the Grant Agreement process.

Ethics Monitoring

Identification of any aspects of the project where ethics issues may need to be considered or reconsidered at a later stage.

⁵ Regulation (EC) No 1906/2006 of the European Parliament and of the Council of 18 December 2006 laying down the rules for the participation of undertakings, research centers and universities in actions under the Seventh Framework Programme and for the dissemination of research results (2007-2013) – OJ L391 of 30.12.2006 p.1, Article 15.2.
Council Regulation (EURATOM) No 1908/2006 of 19 December 2006 laying down the rules for the participation of undertakings, research centers and universities in actions under the Seventh Framework Programme of the European Atomic Energy Community and for the dissemination of research results (2007-2011), – OJ L400 of 30.12.2006.p.1, p.4 - Article 14.2

6.2. Appendix 2 – Template for cover page of Annex I: Description of Work (DoW)

Example of Starting Grant Cover Page

SEVENTH FRAMEWORK PROGRAMME

"Ideas" Specific programme

European Research Council

Grant agreement for: Starting Grant⁶

Annex I - "Description of Work"

Project acronym: *(same as proposal acronym)*

Project full title:

Grant agreement no.: *(same as proposal no)*

Duration: [...] months

Date of preparation of Annex I (latest version):

Principal Investigator:

[Other Principal Investigators (only for SyG)] *(please delete in case of StG or AdG)*

Host Institution:

[Other beneficiaries (if multibeneficiary contract or SyG with more than one beneficiary)] *(please delete in case of mono-beneficiary)*

⁶ Change to "Advanced Grant" or "Synergy Grant" as applicable

6.3. Appendix 3 – Content of Annex I

Example of the Description of Work (DoW) based on a Starting Grant

Each part of Annex I is based on the corresponding part of the proposal.

However, during the preparation stage some sections of the original proposal need to be updated and the Principal Investigator may be requested to shorten certain sections of the proposal and elaborate on others.

6.3.1 General Adjustments in the Description of Work

In case the peer-reviewers did not suggest modifications, the text of the proposal can be simply transposed into the DoW.

From practical point of view the preparation of the Description of Work will cover the following steps:

* The core parts of the original text of the proposal are converted into one single merged document: part B section 1 (B1) (covering the CV, the 10-Year Track-Record, without the extended project synopsis) and part B section 2 (B2) (scientific proposal).

Please update the information given in part (B1) (information on the PI) of your proposal if necessary. The update might be particularly needed for the Funding ID to highlight that no financial overlap will occur (see point 6.3.2.)

* All pages must be numbered and each page should be headed with the project acronym, proposal number and actual drafting date.

* The Cover page (see template in Appendix 2) is added.

* The budget table that is sent with the Invitation letter is inserted into "Section 2, c Resources" (Budget Breakdown). Further detail can be added on the financial allocations.

6.3.2 Specific Adjustments in the Description of Work

SECTION 1: The principal Investigator

Section 1 is based on part (B1) of the proposal.

Extended synopsis

The extended synopsis should be deleted; since Part B section 2 (scientific proposal) will become integral part of the Description of Work.

Funding ID

State clearly and accurately any current research grants, scholarships, bursaries etc. from which you benefit, for work related to the ERC grant application, as well as any on-going foreseen future applications. Describe how you envisage an ERC grant will complement any existing funding.

For each source of funding, you should specify:

- Full title of the research grant, scholarship, bursary etc.
- Name of the funding type and organization responsible
- Your participation in it (e.g. Principal Investigator, co-investigator, etc.)
- Size and duration of the funding.

If there is any possibility for a scientific overlap with these funds, please make sure that no financial overlap occurs during the implementation of the project. Please add the following declaration in the DoW:

"There is and there will be no funding overlap with the ERC grant requested and any other source of funding for the same activities and costs that are foreseen in this project."

SECTION 2: The Research project

This section should be based on part B2 of the original proposal.

c. Resources (incl. project costs)

Personnel – describe all key team members clearly distinguishing between persons to be funded with the ERC grant and any others that will be funded separately. The planned amount of time that will be dedicated to the project by the principal investigator should be stated by copying the template of the Guide for Applicants already inserted into the proposal.

All resources (i.e for each type of cost requested) should be described clearly and concisely. In the event there are 'third parties' (i.e. not the Host Institution) which should provide resources/ carry out any part of the work, it is particularly important to clearly identify what this concerns in terms of the resources/ work and the costs related to each such resource(s).

By using the budget table provided, please calculate the overall budget (EU grant) requested. This should be an estimate of the direct costs of the project as well as inclusion of a 20% contribution of the direct costs towards overheads (**excluding subcontracting and costs of resources made available by third parties which are not used on the premises of the Host Institution**).

The budget table should be subdivided in personnel costs, equipment and infrastructure, consumables, travel, publication costs, indirect costs and any envisaged subcontracts. In addition, the costs must be broken down into **financial reporting periods**.

The budget table follows the structure of the Guide for Applicants in terms of listing the different budget lines. However, the table for insertion in the DoW is presented not on an annual basis, but according to the financial reporting periods, i.e. 18 months periods.

	Cost Category	month 1 to 18	19-36	37-		Total
Direct Costs:	Personnel:					
	P.I. ²	-	-	-	-	-
	Senior Staff	-	-	-	-	-
	Post docs	-	-	-	-	-
	Students	-	-	-	-	-
	Other	-	-	-	-	-
	Total Personnel:	-	-	-	-	-
	Other Direct Costs:					
	Equipment	-	-	-	-	-
	Consumables	-	-	-	-	-
	Travel	-	-	-	-	-
	Publications	-	-	-	-	-
	Total Other Direct Costs:	-	-	-	-	-
	Total Direct Costs:	-	-	-	-	-
Indirect Costs (overheads):	20% of Direct Costs	-	-	-	-	-
Subcontracting Costs:	(No overheads)	-	-	-	-	-
Total Requested Grant:	(by year and total)	-	-	-	-	-
For the above cost table, please indicate the % of working time the PI dedicates to the project over the period of the Grant :						

For multi-beneficiary projects: In addition to a consolidated budget table, a separate budget table and details of the tasks to be carried out should be provided for each beneficiary.

6. 4. Appendix 4 – Subcontracting

What subcontracting may be carried out under ERC FP7 projects and when?

The Annex II to the ERC Model Grant Agreement indicates that *Beneficiaries* shall ensure that the work to be performed, as identified in Annex I, can be carried out by them. However, where it is necessary to subcontract certain elements of the work to be carried out, this should be clearly identified in Annex I.

Subcontracting may concern only certain parts of the project, as the implementation of the project lies with the participants. Therefore, the subcontracted parts should in principle not be "core" parts of the project work. In cases where it is proposed to subcontract substantial/core parts of the work, this question should be carefully discussed with and approved by the ERCEA and those tasks identified in this chapter of Annex I. In some cases, the intended subcontractor should instead become a beneficiary, or the beneficiary should find another beneficiary able to perform that part of the work.

During the implementation of the *project*, beneficiaries may subcontract other minor support services, which do not represent core elements of the *project* work. In multi beneficiary projects, coordination tasks of the principal beneficiary such as the distribution of funds, the review and collection of reports and others tasks mentioned under Article II.2.3 cannot be subcontracted. Other project management activities could be subcontracted under the conditions established for subcontracting.

The specific tasks to be performed by a subcontractor including a financial estimation of the costs, should be identified in this part of Annex I. It is not necessary to identify the subcontractor, except where the subcontractor has already been identified following the procedures described below.

What are the conditions under which subcontracting may be carried out under ERC FP7 projects?

Article II.7.2 of the Annex II to the ERC GA requires beneficiaries to ensure that transparent bidding procedures are used before selecting a subcontractor.

"Any subcontract, the costs of which are to be claimed as an eligible cost, must be awarded to the bid offering best value for money (best price-quality ratio), under conditions of transparency and equal treatment."

However, this does not mean that a full tendering procedure has to be launched for every subcontract⁷. Many organisations have framework contracts with a third party to carry out

⁷ **For public entities**, the award procedure must comply with any national legislation applicable to them. For subcontracts exceeding certain amounts, the Directive on public procurement of services applies and the publication of a call for tenders is mandatory. For subcontracts below those thresholds, the beneficiary should follow internal procedures, assuming that they comply with the terms of the ERC GA.

Private legal entities follow their internal rules which they apply for the normal selection of procurement contracts (typically a minimum of three offers). The publication of a call for tenders is normally not necessary for private legal entities.

At the request of the Commission or the ERCEA and especially in the event of an audit, beneficiaries must be able to demonstrate that they have respected the conditions of transparency and equal treatment in selecting a

routine and repetitive tasks. They have been established before the beginning of the project, and are the usual practice of the beneficiaries. for a given type of task. These frameworks contracts can be used to carry out tasks necessary for implementing the ERC project provided they have been established on the basis of the principles of best value for money and transparency mentioned above.

Public entities must follow the procurement principles established by their national authorities; however, they should in any case comply with the terms of the ERC GA.

Subcontracting can under no condition be used to avoid the rules for participation (i.e. to provide financing to a legal entity that would not otherwise have been eligible for funding under the Framework Programme).

The costs of the services to be subcontracted are normally not sufficient to determine whether the conditions above are met. As a general rule, subcontracting does not occur between beneficiaries.

What other conditions does the beneficiary have to meet when subcontracting?

The beneficiary remains responsible for all its rights and obligations under the ERC Grant Agreement, also for the tasks carried out by a subcontractor. The beneficiary must ensure that the intellectual property that may be generated by a subcontractor reverts to the beneficiary so that it can meet its obligations under the ERC Grant Agreement. In addition, the ERC Grant Agreement requires that the beneficiary impose a certain number of conditions in its subcontract with the subcontractor, these include aspects relating to audits by the ERCEA and the Court of Auditors etc.

What rights and obligations does a subcontractor have?

A subcontractor is paid in full for the work carried out. The work that a subcontractor carries out under the project belongs to the beneficiary in the ERC Grant Agreement. A subcontractor has no rights or obligations vis-à-vis the ERCEA or the other beneficiaries to the ERC Grant Agreement as it is a third party. However, as mentioned above, the beneficiary must ensure that the subcontractor can be audited by the ERCEA or the Court of Auditors.

Is a freelance expert a subcontractor or a temporary employee?

The use of freelance experts either as in-house consultants or as external consultants may be considered to be subcontracts or a form of personnel costs depending on the terms and conditions of the agreement between the expert and the beneficiary. For further explanations see the Guide for ERC Grant Holders and its section dedicated to Financial Issues.

Subcontracting vs. durable equipment / consumables

Sometimes the purchase of equipment or consumables is associated with the provision of a service. Depending on the nature of the services provided, they may be considered subcontracts or part of the equipment purchase. If the service is part of the "package" of equipment purchase then it will be considered to be part of the equipment purchase.

Subcontracting can also include the costs, such as renting a room for a conference, catering for a conference, printing conference materials, etc.

subcontractor. The selection criteria must be based on the best value for money given the quality of the service proposed (best price-quality ratio).

Subcontracting certificates

The provisions applying to subcontractors apply also to external auditors. When the beneficiary uses its usual external auditor it is considered that it has been chosen by transparent means according to the provisions of the Annex II to the ERC Grant Agreement (Article II.7).

The cost of a certificate is an eligible cost under the management activities, under subcontract costs. VAT charged by the auditor is not an eligible cost.

A certificate for the subcontractor's costs is not needed. The costs of the subcontractor will be covered by the beneficiary's certificate.

Other third parties

A third party, is, by definition, any legal entity which does not sign the ERC GA. A subcontractor is a type of third party, but not the only one. As the implementation of the project is the responsibility of the beneficiary (who **signs** the ERC GA), as a general rule, the beneficiary should have the capacity to carry out the work itself. Therefore the rule is that the costs eligible in a project must be incurred by the beneficiary (the signatory to the ERC GA).

However, in some circumstances the ERC GA accepts some third parties whose costs may be eligible.

A third party may contribute to the project in two possible ways:

- making available its resources to a beneficiary (in order for the beneficiary to be able to carry out part of the work)
- carrying out part of the work themselves.

These costs may be eligible under certain conditions:

- **In the case of third parties making their resources available, the third party, the tasks to be performed, and the resources allocated to the project by the third party must be identified during the preparation of the Grant Agreement and mentioned under Section 2 Resources of Annex I (and in some cases also in a special clause in the grant agreement).**
- **In the case of third parties carrying out part of the work which are not subcontractors, the beneficiaries will be entitled to charge their costs only in the cases covered by a special clause. It is essential therefore to discuss these cases during the preparation of the Grant Agreement, and if they are accepted, to include the relevant special clause in the grant agreement. Third parties involved in a project in this way have to undergo verification of their existence and legal status in the same way as the beneficiaries, ie they also have to be registered in the Unique Registration Facility (via the participant portal) (see 2.4, heading "Support during the preparation of the Grant Agreement").**

6.5. Appendix 5 – ERC Grant Agreement Preparation Forms – GPFs

NB: The Grant Agreement Preparation Forms presented in the following pages are for information only. Please do not use these forms to communicate projects details. The forms are to be filled in with the support of a dedicated web-based application. The contact person of the Host Institutions invited to the preparation of the grant agreement shall receive in due time a login and password in order to access the application.