

# ICT PSP draft grant agreement

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# Disclaimer

- This presentation is to help proposers – it does not supersede the rules and conditions laid out in particular in the ICT PSP Work Programme 2007, in the Call for Proposals and the Financial Regulation and its Implementing Rules
- The presentation is based on a draft Grant Agreement not yet approved by the Commission

# Overview

- Draft grant agreement
- Pilot Type A and B
  - Community financial contribution
  - Reporting and payment conditions
- Special case : Pilot Type A
- Thematic networks
  - Community financial contribution
  - Example
  - Advantages
- Next steps

# Draft Grant Agreement - principles

- Simplification
  - Single type of participant – the 'beneficiary'
    - No members
    - No third party participation except for subcontractors
  - For Pilot Type A and B
    - A single cost model (Full cost) - single reimbursement rate of 50%
    - Option to use of flat rate for charging indirect costs
  - For Thematic Networks
    - Use of lump sums – to be reimbursed at 100%
  - Threshold for certificates on financial statements for payment requests equal to or superior to 325.000€ by beneficiary
- Built on experience
  - Align with Framework Programme 7 Grant Agreement
- Comply with Financial Regulation/Implementing Rules

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# Draft Grant Agreement - Overview

- Core grant agreement
  - Parameters including beneficiaries legal names, maximum Community contribution, reporting periods and pre-financing payment
  - Special conditions
- Annex I
  - Description of work – including the budget table
- Annex II
  - Implementation of the Project – reinforced role of the co-ordinator, subcontracting
  - Rules related to Intellectual Property, Publicity and Confidentiality – only foreground is covered
  - Financial provisions
  - Controls, recoveries and penalties – including provisions for financial and technical audits, penalties, reimbursement of recovery orders

# Pilot Type A and B – Community Financial Contribution

- Eligible and non-eligible costs
  - Eligibility conditions include necessity, actually incurred during the duration of the project, recorded in the accounts
- Direct cost
  - Personnel
    - Be directly hired by the beneficiary, under sole technical supervision, be remunerated in accordance with normal practices
  - Subcontracting
    - To be awarded according to the principle of best value for money under conditions of transparency and equal treatment
  - Other specific direct costs
- Indirect costs
  - Costs which cannot be identified as directly attributed to the project but incurred in direct relationship with the eligible costs
  - Option to charge real indirect costs or 30%\* flat rate

\* To be confirmed  
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# Pilot Type A and B – Reporting and Payment conditions

- The consortium has 60 days after the end of reporting period to submit reports and the Commission has 105 days to pay
- Payment
  - Pre-financing – typically to cover 16 months
  - Interim - (option of several pre-financing payments)
  - Final - payment of the balance
- Payments upon approval of reports and deliverables

# Special case – Pilot Type A

- Intellectual property – publication and free accessibility of results
- Possibility to subcontract co-ordination task
- Reservation of budget for extension of consortium at application stage (budget to be set aside in the budget of the co-ordinator - should typically not exceed 15% of the total budget of the pilot)
- Possibility for launching competitive calls for participation
- At contracting stage a consortium agreement needs to be concluded



# Thematic network – Community financial contribution

- The implementation will be using a lump sum approach\* – lump sums are reimbursed at 100%

	<i>Lump sums 'Coordination costs'</i>	<i>Lump sum 'Implementation costs'</i>	<i>Lump sum 'attendance of meetings costs'</i>
<i>Coordinator</i>	<ul style="list-style-type: none"> <li>- <b>3.000€</b> per year and per beneficiary for the first 10 beneficiaries (incl. the coordinator);</li> <li>- <b>2.000€</b> per year and per beneficiary from the 11<sup>th</sup> beneficiary on.</li> <li>- No additional funding from the 21<sup>st</sup> beneficiary on.</li> </ul>		Costs for attendance of networks meetings and network related events are financed by a lump sum of <b>5.000€</b> per year per beneficiary
<i>Other Beneficiaries</i>		<b>3.000€</b> per year per beneficiary	

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\* Terminology and amounts to be confirmed

# Thematic network - example

- 2 years thematic network involving a total of 15 participants (including the coordinator)

	<i>Lump sums 'Coordination costs'</i>	<i>Lump sum 'Implementation costs'</i>	<i>Lump sum 'attendance of meetings costs'</i>	<i>Total</i>
<i>Coordinator</i>	[(10 x 3.000€) + (5 x 2.000€)] x 2 years = <b>80.000€</b>		5.000€ x 2 year = <b>10.000€</b>	<b>90.000€</b>
<i>Other Beneficiaries</i>		(14 x 3.000€) x 2 years = <b>84.000€</b>	(14 x 5.000€) x 2 year = <b>140.000€</b>	<b>224.000€</b>
<i>Total</i>	<b>80.000€</b>	<b>84.000€</b>	<b>150.000€</b>	<b>314.000€</b>

# Thematic Network - advantages

- Simplification
  - No actual cost reporting
  - No justification of costs
  - No provision of certificates
- Focus on results - networking

# Next steps

- Approval of the grant agreement by the Commission probably in June 2007
- Detailed guidance on legal and financial viability
- Lump sum approach to be reviewed within maximum 2 years