Rules for Participation and Dissemination – Simplification and Innovation

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Rules for participation: Three main objectives

Innovation,
Simplification
and Coherence
I. Simplification and Coherence – Main Principles

- A single set of rules
- A single funding rate
- A single indirect cost model
- Further simplification efforts
A single set of rules

EU Financial Regulation
Specific rules for participation

- Covering all H2020 research and innovation actions
- Keeping flexibility where needed.

etc.

Research and Innovation
A new framework for the Euratom Fusion main programme

EU Financial Regulation
Specific rules for participation

EFDA, COA, exploitation of JET to be integrated under a Programme Co-Fund Action GRANT taking full advantage of clarity of H2020 rules, supported by a new contract for the operation of JET

Priority support JIA
etc.

Research and Innovation
### One project = One rate

- For all beneficiaries and all activities in the grant.

- Defined in the Work Programme:
  - Up to 100% of the eligible costs;
  - but limited to a maximum of 70% for innovation projects (exception for non-profit organisations - maximum of 100%)
  - Specific reimbursement rates for programme co-fund actions

### A single funding rate

<table>
<thead>
<tr>
<th></th>
<th>FP7</th>
<th>HORIZON 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td></td>
<td></td>
</tr>
<tr>
<td>reimbursement</td>
<td></td>
<td></td>
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<tr>
<td>rates</td>
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<tr>
<td>rates</td>
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</tr>
<tr>
<td>Network of</td>
<td>50% (**)</td>
<td>100%</td>
</tr>
<tr>
<td>excellence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collaborative</td>
<td>50% (**)</td>
<td>100%</td>
</tr>
<tr>
<td>project(***)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coordination and</td>
<td>50%</td>
<td>100% (***))</td>
</tr>
<tr>
<td>support action</td>
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</tbody>
</table>

(*) Research and technological development includes scientific coordination.

(**) For beneficiaries that are non-profit public bodies, secondary and higher education establishments, research organisations and SMEs

(***) The reimbursement of indirect eligible costs, in the case of coordination and support actions, may reach a maximum 7% of the direct eligible costs, excluding the direct eligible costs for subcontracting and the costs of resources made available by third parties which are not used on the premises of the beneficiary.

(****) Including research for the benefit of specific groups (in particular SMEs)
Single indirect cost model

FP7

Real?

Simplified?

60%?

20%?

HORIZON 2020

Single model: 25% Flat Rate
New funding model: what impact on the EU contribution?

An example

<table>
<thead>
<tr>
<th>FP7 (Majority of HES &amp; RTOs)</th>
<th>Direct costs</th>
<th>Indirect costs</th>
<th>Total costs</th>
<th>% EU contribution</th>
<th>EU contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flat-rate (60%)</td>
<td>100</td>
<td>60</td>
<td>160</td>
<td>75%</td>
<td>€ 120</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HORIZON 2020</th>
<th>Direct costs</th>
<th>Indirect costs</th>
<th>Total costs</th>
<th>% EU contribution</th>
<th>EU contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>100/25 Funding</td>
<td>100</td>
<td>25</td>
<td>125</td>
<td>100%</td>
<td>€ 125</td>
</tr>
</tbody>
</table>
Time to grant: speeding up the process

A maximum TTG of 8 months

- 5 months for informing all applicants on scientific evaluation
- 3 months for signature of GA

Some exceptions apply, including complex actions or where requested by applicants
How to speed up the process

- **Preparation rather than negotiation:**
  - Each proposal evaluated 'as it is', not as 'what could be'
  - Final GA based to maximum extent possible on Part B of the proposal

- **Legal entity validated in parallel**

- **No more paper:**
  e-communication & e-signature of grants.
Other Simplification Efforts

Similar evaluation criteria with FP7
- Excellence – Impact – Quality and efficiency of the action

Simpler time-recording requirements
- No time-sheets for personnel working full time on a single project

Fewer Certificates on Financial Statements and fewer but targeted audits
- CFS only if total amount of the grant for the beneficiary as reimbursement of actual costs or average personnel costs is ≥ EUR 325,000 at the time of the payment of the balance
- Audit strategy focused on risk and fraud prevention
Controls and Audits

Financial viability ➔ Restricted to coordinators for projects ≥ €500 k€

Audit certificates ➔ Only for final payments/per beneficiary /for actual costs ≥ €325 000 €
➔ Optional Certificates on average personnel costs

Ex-post audits ➔ Provisions in Horizon 2020 Regulations!
➔ Commission's audits up to two years after payment of the balance
➔ Audit strategy focused on risk and fraud prevention

Guarantee Fund ➔ Continuity with FP7

Research and Innovation
II. Innovation = What is new?

- Basic principles remain
- Types of actions and forms of funding
- Specific Instruments
- Importance of Work Programme
- International Participation and IPR
Conditions for Participation

Minimum conditions

✓ **Standard collaborative actions**

At least three legal entities each established in a different Member State or an Associated Country

✓ **ERC, SME instrument, programme co-fund, coordination and support, training and mobility actions:**

One legal entity established in a Member State or in an Associated Country

Additional Conditions

✓ **In the work programme**

Number of participants, nature of participants (e.g. ERA-NET, EJP)
Forms of funding

WE KEEP

✔ Use of Grant Agreements

✔ Actual costs
What is **NEW**

- Specific provisions targeting innovation:
  - pre-commercial procurement
  - procurement of innovative solutions
  - inducement prizes

- **Financial instruments:**
  - a debt financial instrument,
  - a financial instrument providing equity finance for R&I, etc.

- **Possibility of output-based grants (lump-sums per project)**

- **Enhanced use of other lump-sums, flat rates and unit costs**
Types of Actions

Research and Innovation Actions v. Innovation Actions (through collaborative projects)

Coordination and Support Actions (through calls for proposals or to identified beneficiaries)

Programme Co-fund Actions
- ERA-NET
- PCP-PPI (not in current Energy WPs)
- Marie Skłodowska-Curie (separate Work Programme)
- European Joint Programme

Other Types of Actions
- SME Instrument
- Financial Instruments
- Prizes
- Procurement (studies, conferences, specific services)
Types of Actions – Research/Innovation

Research and Innovation Actions – NO RfP definition but description in the WP annexes

They are actions with Research and Development activities as the core of the project intending to establish new scientific and technical knowledge and/or explore the feasibility of a new or improved technology, product, process, service or solution

- may include basic and applied research, technology development and integration, testing and validation on a small-scale prototype in a laboratory or simulated environment

- may contain closely connected but limited demonstration or pilot activities aiming to show technical feasibility in a near to operational environment

  • 100% funding rate

"Pure" Innovation Actions – RfP definition

"'Innovation action' means an action primarily consisting of activities directly aiming at producing plans and arrangements or designs for new, altered or improved products, processes or services. For this purpose they may include prototyping, testing, demonstrating, piloting, large-scale product validation and market replication"

  • 70% funding rate (100% for non-profit legal entities)
Overlaps

'prototyping', 'testing', 'demonstrating' and 'piloting' not specific to innovation activities; they are also used to describe research and development activities (100% funding)

- In the case of a Research and Innovation action, these activities are undertaken on a small scale prototype, in a laboratory or simulated environment.
- Innovation projects may include limited research and development activities.
- Type of project expected, funding and Technology Readiness Level scale indicated in the WP topics.
Coordination and Support Action

Actions consisting primarily of accompanying measures such as standardisation, dissemination, awareness-raising and communication, networking, coordination or support services, policy dialogues and mutual learning exercises and studies, including design studies for new infrastructure and may also include complementary activities of strategic planning, networking and coordination between programmes in different countries.

- **Substantially similar to FP7**
SME Instrument:

- Implemented via single centralised management structure
- Bottom-up approach
- Continuously open call
- Only SMEs eligible for participation
Fast Track to Innovation Pilot:
To be launched in 2015, with the following features

- **maximum of 5 partners/ maximum €3 M per project**
- **Bottom-up approach**
- **Continuously open call with three cut-off dates per year**
- **Time to grant not exceeding 6 months**
- **Covering all fields across LEITs (Leadership in enabling and industrial technologies) and Societal Challenges**

Placeholder text only in Energy WP
Specific types of action – Programme co-fund

Programme co-fund:

'programme co-fund action' means an action funded through a grant the main purpose of which is supplementing individual calls or programmes funded by entities, other than Union bodies, managing research and innovation programmes. A programme co-fund action may also include complementary activities of networking and coordination between programmes in different countries'

• ERA-NET

• Pre-Commercial Procurement and Public Procurement of Innovative Solutions ('PCP'- 'PPI')
  - Not in Energy WP (only preparatory CSA actions)

• Marie Skłodowska-Curie (separate stand-alone H2020 WP)

• European Joint Programme ('EJP') – Euratom WP only (Fusion, radioprotection)
Inducement and recognition prizes

Three main aims:
• Stimulate groundbreaking technologies
• Mobilize private research and innovation investments
• Generate public enthusiasm for new technologies

Subject to contests:
• Directly foreseen in the Work Programme
• Organized by a beneficiary of a CSA

Rules exhaustively set in Work Programme
The importance of the Work Programme

Work Programme may:

- Restrict eligibility of participants from third countries (e.g. security concerns, reciprocity)
- Introduce additional eligibility criteria
  - Number of participants, type of participant and place of establishment
- Lay down further details for the application of the award criteria, and specify weighting and thresholds – see general annexes
- Specify third countries that are eligible for funding
- Specify the funding rate for an action
- Specify that lump sums or scale of unit costs can be used for an action (subject to prior separate Commission Decision)
- Identify beneficiaries for grants without a call for proposals
International Cooperation

Participation

Open for all legal entities established in third countries and for international organisations.

Restrictions only possible if introduced in the work programme.

✔ For reciprocity reasons;

✔ For security reasons.
Funding

✓ Third country identified in the Work Programme or
✓ participation deemed by the Commission essential in the action or
✓ when provided under a bilateral scientific and technological agreement
We keep

✓ **Ownership**
  - for the participant who generates results,
  - joint-ownership only in specific circumstances

✓ **Protection**
  where appropriate

✓ **Exploitation**
  - General obligation to exploit

✓ **Dissemination**
  - principle maintained
Transfer and exclusive licences outside the EU/Euratom/Associated Countries

- the grant agreement may foresee right to object if a participant has received Union funding

Access rights

- for implementation and for exploitation purposes (also for affiliated entities established in MS/AC)

Tailor-made provisions in the MGA for:

- security-related activities,
- EURATOM,
- ERC frontier research,
- SME instrument,
- mobility,
- support,
- KICs, etc.
What is **NEW**

- **Additional exploitation/dissemination obligations**
  (in the work programme)

- **Open access:**
  - obligatory for scientific publications and,
  - to research data (in appropriate areas and when foreseen in the work programme)

- **Access rights:**
  - for the Union/Euratom under all parts of the programme and,
  - for MS under 'Secure societies'

- **Specific provisions:**
  - for pre-commercial public procurement and
  - for procurement of innovative solutions
Thank you very much for your attention!

Find out more:
www.ec.europa/research/horizon2020