






## FP7 eligibility, proposal preparation and submission

**13<sup>th</sup> July 2011**

*Kerry Young*  
**EU Energy Focus**



## Introduction

- Eligibility to participate
- Funding rates
- Eligible costs
- Proposal submission and evaluation






## Eligibility to participate

- Any legal entity established in a Member State (MS) or Associated country (AC)
- International organisations and participants from third countries can participate only if in addition to the minimum consortium membership
- Minimum for Collaborative Projects and Coordination and Support Actions (CSA) - coordination type - is usually 3 independent participants from 3 different MS or AC
- Minimum for CSA support type is 1 legal entity
- Work programme can add conditions on number or type of participants and place of establishment

## General principles of funding

- Principles of co-financing and no profit
- Forms of EU grant (EU financial contribution)
  - Reimbursement (in whole or part) of eligible costs
  - Flat rate financing
  - Lump sum financing (in particular for ICPCs)



## Funding rates

**Collaborative projects**

- Research activities: **50%** of eligible costs except for:
  - SMEs: **75%**
  - Public bodies: **75%**
  - Secondary and higher education establishments: **75%**
  - Research organisations (non-profit): **75%**
- Demonstration activities: **50%** of eligible costs
- PPP retrofitting – element of flat-rate funding
- Other activities (including management\*): **100%**

**Coordination and support actions: 100%**

(\* does not include scientific coordination and project meetings)



## Cost categories

**Direct costs:**

- eligible costs which can be attributed directly to the project e.g. staff costs (recorded in timesheets), equipment, travel

**Indirect costs/overheads:**



- Can't be identified by participant as directly attributed to project, but can be identified & justified by accounting system as being incurred in direct relationship with eligible direct costs attributed to the project
- Calculation
  - Actual overheads (for those with analytical accounting system)
  - 20% flat rate of direct costs, minus the costs of subcontracting and the costs of 3rd parties (60% for SMEs, public bodies, higher education, not for profit organisations is maintained for 2012 calls)
  - simplified method of calculating overhead costs
- CSA funding scheme – limit of 7% of direct costs

## Eligible costs

- Actual \*
- Incurred by beneficiary (or third parties) during the project period (up to 60 days after end date for final reports)
- Based on usual accounting and management principles
- Recorded in the accounts of beneficiary (or third parties)
- Used for the sole purpose of achieving the objectives of the project in economic, efficient and effective manner
- Indicated in estimated budget of Annex I



\* (see average personnel costs slide)

## Average personnel costs



**\*Average personnel costs : new criteria adopted by the Commission on 24/1/2011**

- acceptance of the vast majority of average personnel cost methods used by beneficiaries as their usual cost accounting practice. The criteria are as follows:
  - a. The average personnel cost methodology shall be the one declared by the beneficiary as its usual cost accounting practice; as such it shall be consistently applied to all indirect actions of the beneficiary under the Framework Programmes;
  - b. The methodology shall be based on the actual personnel costs of the beneficiary as registered in its statutory accounts, without estimated or budgeted elements;
  - c. The methodology shall exclude from the average personnel rates any ineligible cost item and any costs claimed under other costs categories in order to avoid double funding of the same costs;
  - d. The number of productive hours used to calculate the average hourly rates shall correspond to the usual management practice of the beneficiary provided that it reflects the actual working standards of the beneficiary, in compliance with applicable national legislation, collective labour agreements and contracts and that it is based on auditable data
- Beneficiaries are no longer required to submit a Certificate on Average Personnel Costs for approval as a prior condition for the eligibility of the costs. Nevertheless, the Certificate remains as an option offering beneficiaries the possibility to obtain prior assurance on the compatibility of the methodology in place with FP7.

## Ineligible costs

- Indirect taxes including VAT
- Duties
- Interest owed
- Provisions for possible future losses
- Exchange losses
- Costs declared, incurred or reimbursed in respect of another Community project
- Debt or debt service charges, excessive or reckless expenditure

## Parts of a proposal



**PART A:** Administrative information about the proposal and the participants (On-line web forms)

**PART B:** Scientific & Technical content of proposal

- Template or list of headings
- To be uploaded into the EPSS
- In PDF and within size limit



To be submitted only electronically by the coordinator using the Commission's EPSS

► Different templates for one/two stage submission

## Proposal submission

- Electronic submission only
- Electronic proposal submission service (EPSS)
  - Available at least 4 weeks before the deadline
  - Part A is online web form
  - Part B is pdf upload
  - Don't forget to press save and submit regularly
  - Latest submission overwrites previous one
- Unique registration facility
- EPSS User Manual & online FAQ at <https://www.epss-fp7.org/epss/EPSS-Userguide.pdf>
- Single/two stage submission procedure

## Single stage submission procedure

- Eligibility checks
  - Received by deadline
  - Meets minimum consortium requirements
  - Complete part A and part B
  - In scope (topic and funding scheme)
- Evaluation by independent experts against three evaluation criteria
  - S&T quality – concept, objectives, work-plan
  - Implementation – operational capacity of participants
  - Impact – contribution to WP impacts and plans for dissemination/exploitation



## Two stage submission procedure

- Eligibility checks as with single stage
- **First stage:** prepared by Coordinator only
  - Short proposal (previously 10 pages) focusing on S&T content and intended results
  - Information on minimum consortium required and estimated total financial budget, to be shown under coordinator only
  - Evaluated on basis of S&T quality only
- Proposals with value of 250% of budget for the Call will be invited to proceed to Stage 2
- **Second stage:**
  - Full proposal
  - Evaluation by independent experts against the three evaluation criteria of S&T quality, Implementation and Impact



## Further information

- Guide to the FP7 documents & other factsheets  
<http://www.energiehelpline.co.uk/fp7/fp7-factsheets>
- Guide for Applicants – expected July 2011
- Guide to Financial Issues - version 4 28/02/2011
- Standard model grant agreement  
[http://cordis.europa.eu/fp7/find-doc\\_en.html](http://cordis.europa.eu/fp7/find-doc_en.html)