



EUROPEAN
COMMISSION

Community Research

European Community FP7 Participation Rules

(Commission proposal adopted 23.12.05)

NB: underlining = changes to FP6

NB: **square brackets** = changes from MS



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 for international European interest organisations and entities established under EC law)
- Sole participants composed of members that meet the criteria above can participate
- 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): minimum 1 legal entity established in a MS or Ac
- Coordination & support actions and actions in favour of training and career development of researchers: minimum 1 legal entity (except actions to coordinate)
- Collaborative projects addressing the participation of international cooperation partner countries (INCO): minimum 4 participants of which 2 in MS or Ac and 2 in INCO countries [unless otherwise foreseen in WP]
- Participation of international organisations and participants from third countries: if in addition to minima



Submission and Evaluation

- Commission to adopt and publish rules for proposal submission, evaluation, selection and award
 - Including 2-stage submission and 2-step evaluation
 - [Including procedures for redress]
- Commission to adopt and publish rules on verification of the legal status and financial capacity of participants
- Evaluation criteria established in SP and WP
- Irregularity and violation of fundamental ethical principles are grounds for exclusion from evaluation and selection
- Transparent, fair and impartial evaluation procedures with help of independent experts



Implementation

- Participants implement work jointly and severally towards the EC and carry out work of a defaulting partner unless Commission relieves them of that obligation (\neq FP6 financial collective responsibility)
- Commission to assess risk of default and may establish a mechanism to cover financial loss
 - ✓ Participants contribute a small % of their EC contribution to insure against losses of a defaulting partner
 - ✓ Public bodies, secondary and higher education and entities guaranteed by MS or Ac would not contribute
 - ✓ Participants in certain types of funding schemes (training, frontier research, actions for benefit of specific groups except SMEs) do not contribute either
- If implementation of the project is impossible or participants fail to implement, Commission shall ensure termination



Grant agreement

Model grant agreement shall:

- establish rights and obligations of participants (including submission of reports, termination etc);
- identify whether and what part of EC financial contribution is based on reimbursement of eligible costs, lump sums or flat rates;
- identify which changes in the consortium require prior publication of competitive call;
- reflect [general] principles of the European Charter for Researchers and the Code of Conduct for the Recruitment of Researchers
- specific provisions for certain types of actions (IPR particularly)



Community financial contribution

Eligibility for Funding :

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

and

International organisations and third countries (other than INCO) if provided for in SP/WP, or essential for carrying out action, or provision for funding is provided for in a bilateral agreement between EC and the third country



General principles

Forms of grants

- Reimbursement of eligible costs
- Flat rates: a percentage for indirect costs or scales of unit costs
- Lump sum amounts
- Combination

Cost reporting models eliminated

- Participants charge direct (and indirect) costs
- For indirect costs flat rate is an option
- [For certain participants indirect costs can be calculated using a simplified method to be established in the grant agreement]

Co-financing, no profit



Reimbursement of eligible costs

- Most funding schemes
- Eligible = actual; incurred during the project; determined according to usual accounting and management principles/practices; used solely to achieve project objectives; consistent with principles of economy, efficiency and effectiveness; recorded in accounts (or the accounts of third parties); exclusive of non-eligible costs
- Average personnel costs may be used if consistent with above and do not differ significantly from actual
- May be combined with lump sums and/or flat rates for certain items of a project
- Audit certificates continued but rationalised



Lump-sum financing

Special lump-sum for Networks of Excellence

- For Networks of Excellence, a special lump sum is proposed in the Rules [if indicated in the work programme]
 - The lump sum would be € 23,500 per researcher per year (with update every 2 years)
 - Payments based on assessment of progress in implementing the joint programme of activity (measured by indicators of integration)



Flat rate financing

Flat rates for project or for indirect costs

- For the whole project as scales of unit for personnel costs, equipment etc.
- For indirect costs as a % of other costs e.g. all direct costs or some specific category)
 - [To be established on the basis of a close approximation of real costs; set out in the grant agreement]
 - Could vary from one type of funding scheme to another



Maximum funding rates

- Research & technological activities: – 50% of eligible costs except for:
 - Public bodies: – 75%
 - Secondary and higher education establishments: – 75%
 - Research organisations (non-profit): – 75%
 - SMEs: – 75%
- Demonstration activities: – 50% of eligible costs
- Other activities: – 100% including e.g. Management
- Frontier research actions – 100%
- Coordination and support actions – 100%
- Training and career development of researchers actions – 100%

Receipts taken into account for the final EC contribution



Intellectual Property Provisions

Pre-existing know-how (FP6) becomes **background**
which is:

- held by participants prior to their accession to the grant agreement (no sideground)
- which is needed for carrying out the project or for using its results
- no need to exclude from access

Knowledge (FP6) becomes **foreground**



Intellectual Property Provisions

Ownership: each participant owns the foreground it generates
Joint ownership (in absence of a specific agreement default joint ownership regime applies):

any owner can grant non-exclusive licenses to third parties, subject to prior notification and fair and reasonable compensation to the other owner(s) with no right to sub-licence.

Transfer of ownership of foreground

- prior notification only to the other participants who may waive their rights to be notified in advance regarding specific third parties
- requirement to notify Commission may be in grant agreement
- Commission may object to transfers or exclusive licenses to third parties established in non-associated countries if contrary to ethical or competitiveness principles



Intellectual Property Provisions

Protection, use, dissemination (publication)

- Foreground capable of industrial or commercial application must be protected
- Owner of foreground may transfer to another participant if it does not wish to protect, or to the Commission
- Foreground must be used and disseminated
- Notice of dissemination (including publication) to be given to other participants (not Commission)
- Publications and patent applications must indicate EC financial assistance involved



Intellectual Property Provisions

Access rights

- Participants define the background they need and may exclude [limited and identified in grant agreement] but not necessarily prior to signature of grant agreement
- Requests for access rights within 1 year (or other period to be agreed by participants)
- Possible to grant exclusive licenses to background and foreground if other participants waive their rights
- Commission no longer informed of granting of access rights to third parties
- Special provisions for certain types of actions e.g. frontier research, security research



Access rights (FP7)

	Access rights to background	Access rights to foreground resulting from the project
For carrying out the project	Yes, if a participant needs them for carrying out its own work under the project	
	Royalty-free unless otherwise agreed before acceding to the grant agreement	Royalty-free
For use (exploitation + further research)	Yes, if a participant needs them for using its own foreground	
	Either fair and reasonable conditions or royalty free-to be agreed	