



# Participation and funding in H2020 actions

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*Disclaimer : H2020 Regulations are not yet adopted by the legislator. Any  
information contained in this presentation is legally not binding*



# Forms of funding

- **Grants**

- Direct financial contribution by way of donation in order to finance an action

- **Prizes**

- Financial contribution given as reward following a contest (recognition or inducement prizes)

- **Procurement**

- Supply of assets, execution of works or provision of services against payment

- **Financial instruments**

- Equity or quasi-equity investments; loans; guarantees; other risk-sharing instruments





## Types of actions supported by grants

- Research and innovation actions
- Innovation actions
- Coordination and support actions
- SME instrument
- ERANET Co-fund
- Pre-commercial procurement Co-fund
- Public procurement of innovative solutions Co-fund

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## Research and innovation actions

- Actions primarily consisting of activities aiming to establish new knowledge and/or to explore the feasibility of a new or improved technology, product, process, service or solution.
- For this purpose they may include basic and applied research, technology development and integration, testing and validation on a small-scale prototype in a laboratory or simulated environment.



## Innovation actions

- Actions 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.

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## Coordination and support actions

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 networking and coordination between programmes in different countries.

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# SME Instrument

**For single SMEs or SME consortia**

- **Phase 1:** Feasibility study verifying the technological/practical as well as economic viability of an innovation idea
- **Phase 2:** Innovation projects that demonstrate high potential in terms of company competitiveness and growth underpinned by a strategic business plan.
- Phase 2 proposals should be based on a strategic business plan either developed through phase 1 or another means





## ERANET Cofund

ERA-NET Cofund actions support public-public partnerships in their preparation, establishment of networking structures, design, implementation and coordination of joint activities as well as Union topping-up of a trans-national call for proposals.

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# Pre-Commercial Procurement (PCP) Cofund

- PCP Cofund actions support the preparation, single joint procurement and implementation of contracts for research and development services and related additional coordination activities.
- 'Pre-commercial procurement' means procurement of research and development services involving risk-benefit sharing under market conditions and competitive development in phases, where there is a separation of the research and development phase from the deployment of commercial volumes of end-products

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# Public Procurement of Innovative Solutions (PPI) Cofund

- PPI Cofund actions support the preparation, single joint procurement and implementation of contracts for innovative solutions and related additional coordination activities.
- 'Public procurement of innovative solutions' means procurement where contracting authorities act as a launch customer for innovative goods or services which are not yet available on a large-scale commercial basis.

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# Conditions for participation

- **Minimum conditions**

- For standard collaborative actions
  - At least, 3 legal entities, each established in different MS/AC
- For SME Instrument, programme co-fund, CSA
  - 1 legal entity established in a MS/AC

- **Additional conditions**

- To be set out in the Work Programme (i.e. number of participants, type of participants, etc.)

## Eligibility for funding

- Entities established in MS or associated countries or third country identified in the WP
- Entities created under Union law
- International European interest organisation
- Other entities may receive funding if :
  - **participation is essential or**
  - **such funding foreseen in bilateral arrangement between the Union and third country/international organisation**

# Evaluation of proposals

- **Award criteria**
  - Excellence
  - Impact
    - Higher weighting for innovation actions
  - Quality and efficiency in the implementation
  - Details, weightings and thresholds be laid down in WP
- Evaluation carried out by independent experts
- Possibility of a 2 stage submission procedure

# Selection criteria

- **Operational capacity**

*Operational capacity means that the applicants must have the professional competencies and qualifications required to complete the proposed action or work programme: it may be assessed on the basis of specific qualifications, professional experience and references in the field concerned.*

- **Financial capacity**

- Only coordinators of actions with EU contribution equal or superior 500.000EUR will be checked, except specific cases
- No verification for public bodies , entities guaranteed by MS or AC and higher and secondary education establishments



# Grant preparation and signature

- Time to Grant
  - 5 months for informing applicants on outcome of scientific evaluation
  - 3 months for signature of GA = grant finalisation process





# Simplified Funding Model

- **1 reimbursement rate by action** (same rate for all beneficiaries and all activities):
  - Up to 100% for Research and Innovation actions
  - Up to 70% for innovation (non-profit entities up to 100%)
  - Up to 70% for PCP co-fund, 33% for ERANET co-fund, 20% for PPI co-fund
- **1 method for calculation of indirect costs:**
  - Flat rate of 25% of total direct costs, excluding subcontracting, costs of third parties and financial support to third parties
  - If provided in WP, lump sum or unit costs
- Funding of the action not exceed **total eligible costs minus receipts**







# Eligible costs

Main cost categories:

- Personnel costs
- Costs of subcontracting
- Other direct costs
  - Travel costs and subsistence allowances
  - Depreciation costs of equipment
  - Costs of other goods and services (including non-deductible VAT)





## Personnel costs (1)

- **Salaries + social security charges + other costs included in the remuneration arising from national law/employment contract**
- **Additional remuneration up to 8000 EUR (per year) for non-profit legal entities**
- **Actual worked hours**
  - Evidence : normally through time recording system except for staff working full time on EU action



## Personnel costs (2)

- **Actual costs**
- **Unit costs for**
  - **average personnel costs**

Calculation based on the total actual personnel costs recorded in the participant's accounts

Provisions on productive hours
  - **SME owner and natural person with no salary**



# Controls and audits

- **Audit certificates**

- Only for final payments when total EU contribution claimed on the basis of actual costs + average personnel costs  $\geq$  325,000 EUR

- **Certificates on the methodology**

- Optional certificates on average personnel costs

- **Ex-post audits**

- Audits limited to 2 years after payment of the balance





# Guarantee Fund

- **Continuity** of the system applied in FP7 :  
H2020 GF replaces and succeeds to the FP7 GF
- Considered as **sufficient guarantee** under the FR
- **No additional guarantee** or security may be **accepted** from participants or **imposed** on them
- 5% contribution of the EU funding retained from the initial pre-financing
- 5% contribution returned to participants at the end of the action





# Intellectual Property Rights (IPR)–in a nutshell - Results

- **Ownership**
  - Beneficiary generating the results
  - Joint-ownership in specific circumstances
- **Protection**
  - If results capable of commercial/industrial exploitation
  - If no protected, EU may assume ownership
- **Exploitation**
  - Best efforts obligation; WP may foresee additional obligations
- **Transfer and exclusive licences to a third country**
  - EC may object (competitiveness, ethical principles, security)
- **Dissemination**
  - Open access to scientific publications and under certain conditions to research data

# IPR in a nutshell– Access Rights

- **For implementation**
  - To background / results (royalty free) if needed
- **For exploitation**
  - To background / results (under fair and reasonable conditions) if needed to exploit own results
  - Also applicable to affiliates established in MS/AC
- **For EU/MS**
  - Non-commercial use and policy related purpose (under "Secure societies")
  - On a royalty-free basis



**Thank you for your  
attention!  
Questions?**

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