



Project Coordinators Info Day

CFM & OC 2015-2016

4 october2016

1 - Introduction

2 - Calls 2015-2016

status overview

Calls 2015-2016 status overview CFM

TOPIC	ACRONYM	COORDINATOR	COORDINATORS' CONTACTS	STARTING DATE	PROJECT OFFICER	COMPLEMENTARITY
S2R-CFM-IP2-01-2015	X2Rail-1	SIE	lars.bergmann@siemens.com Tel: +49(531)226 4628	01-Sep	L Garvia	CYRail VITE MISTRAL
S2R-CFM-IP5-01-2015	FR8RAIL	TRV	jan.bergstrand@trafikverket.se Tel: +46(0) 707453265	01-Sep	L Garvia	INNOWAG
S2R-CFM-IP5-02-2015	ARCC	DB	norbert.kahl@dbschenker.eu Tel: +49 265 34269	01-Sep	L Garvia	SMART
S2R-CFM-CCA-02-2015	FINE 1	BTG	leo.baures@rail.bombardier.com Tel: +49 330 2893992	01-Sep	A Berto	OPEUS DESTINATE
S2R-CFM-IP4-01-2015	Co-Active	THA	lionel.levieux@thalesgroup.com Tel: +33 1 69 88 57 07	01-Sep	A Berto	ATTRACTIVE GoF4R ST4RT
S2R-CFM-IP4-02-2015	ATTRACTIVE	HACON	daniel.schmidt@hacon.de Tel: +49 511 33699287	01-Sep	A Berto	Co-Active GoF4R ST4RT
S2R-CFM-IP5-03-2015	FFL4E	BTG	frank.schleier@rail.bombardier.com Tel: +49 621 7001473	01-Sep	L Garvia	DYNAFREIGHT
S2R-CFM-CCA-01-2015	IMPACT-1	DLR	michael.meyerzuhoerste@dlr.de Tel: +49 531 2953404	01-Sep	A Berto	NEAR2050
S2R-CFM-CCA-03-2015	PLASA	DB	christian.reinhold@deutschebahn.com Tel: +49 692 5627211	01-Sep	A Berto	GoSAFE RAIL
S2R-CFM-IP1-02-2016	CONNECTA	CAF	jgoikoetxea@caf.net Tel: +34 943 189241	01-Sep	L Garvia	SAFE4RAIL
S2R-CFM-IP3-02-2016	IN2SMART	ASTS	nadia.mazzino@ansaldo-sts.com Tel: +39 0106552308	01-Sep	G Patris	n.a.
S2R-CFM-IP3-01-2016	IN2TRACK	TRV	sam.berggren@trafikverket.se Tel: +46 10 12 31691	01-Sep	G Patris	S-CODE
S2R-CFM-IP1-01-2016	PINTA	ALS	laurent.nicod@transport.alstom.com Tel: +33 5 62 53 48 57	01-Sep	L Garvia	n.a.

TOPIC	ACRONYM	COORDINATOR	COORDINATORS' CONTACTS	STARTING DATE	PROJECT OFFICER	COMPLEMENTARITY
S2R-OC-IP2-01-2015	CYRail	EVOLEO	rodolfo.martins@evoleotech.com Tel.: +351 229 424 327	01/10/2016 GA signed	G Patris	X-2Rail-1
S2R-OC-IP2-03-2015	MISTRAL	ISMB	bragagnini@ismb.it Tel: +39 0112276201	01/11/2016 GA signed	G Patris	X-2Rail-1
S2R-OC-IP5-01-2015	SMART	UNIVERSITAET BREMEN	ristic@iat.uni-bremen.de Tel: +49 42121862431	01/10/2016 GA signed	L Garvia	ARCC
S2R-OC-CCA-02-2015	OPEUS	UNEW	roberto.palacin@ncl.ac.uk Tel: +44 1912086829	01/11/2016 Signature pending	A Berto	FINE-1
S2R-OC-CCA-03-2015	DESTINATE	TUB	j.boehm@tu-berlin.de Tel: +49 3031425198	01/11/2016 Signature pending	A Berto	FINE-1
S2R-OC-IP2-02-2015	VITE	INE	beatriz.sierra@ineco.com Tel: +34 913436264	01/10/2016 Signature pending	G Patris	X-2Rail-1
S2R-OC-IP5-02-2015	DYNAFREIGHT	UNIFE	andrea.demadonna@unife.org Tel: +32 2 626 12 68	01/11/2016 Signature pending	L Garvia	FFL4E
S2R-OC-IP5-03-2015	INNOWAG	UNEW	cristian.ulianov@ncl.ac.uk Tel.: +44 (0) 191 208 3971	01/11/2016 Signature pending	L Garvia	FR8RAIL
S2R-OC-CCA-01-2015	NEAR2050	IITF	manfred.ninaus@iitf.at Tel: +43 650 4000 899	01/10/2016 GA signed	A Berto	IMPACT-1
S2R-OC-CCA-04-2015	GoSAFE RAIL	GDG	kgavin@gdgeo.com Tel: +35 312 071000	01/10/2016 Signature pending	A Berto	PLASA
S2R-OC-IP3-01-2016	S-CODE	UoB	c.roberts.20@bham.ac.uk Tel: +44 121 414 4306	01/11/2016 Signature pending	G patris	IN2TRACK
S2R-OC-IP4-01-2016	GoF4R	UNIFE	stefanos.gogos@unife.org Tel.:+ 32 2 431 04 62	01/11/2016 Signature pending	A Berto	Co-Active ATTRACTIVE
S2R-OC-IP4-02-2016	ST4RT	UNIFE	stefanos.gogos@unife.org Tel.:+ 32 2 431 04 62	01/11/2016 Signature pending	A Berto	Co-Active ATTRACTIVE
S2R-OC-IP1-02-2016	SAFE4RAIL	TTT	arjan.geven@tttech.com Tel: +43 1585343 4942	01/10/2016 Signature pending	L Garvia	CONNECTA ⁶

3 – Projects ... part of the Shift2Rail Programme

What is Shift2Rail?

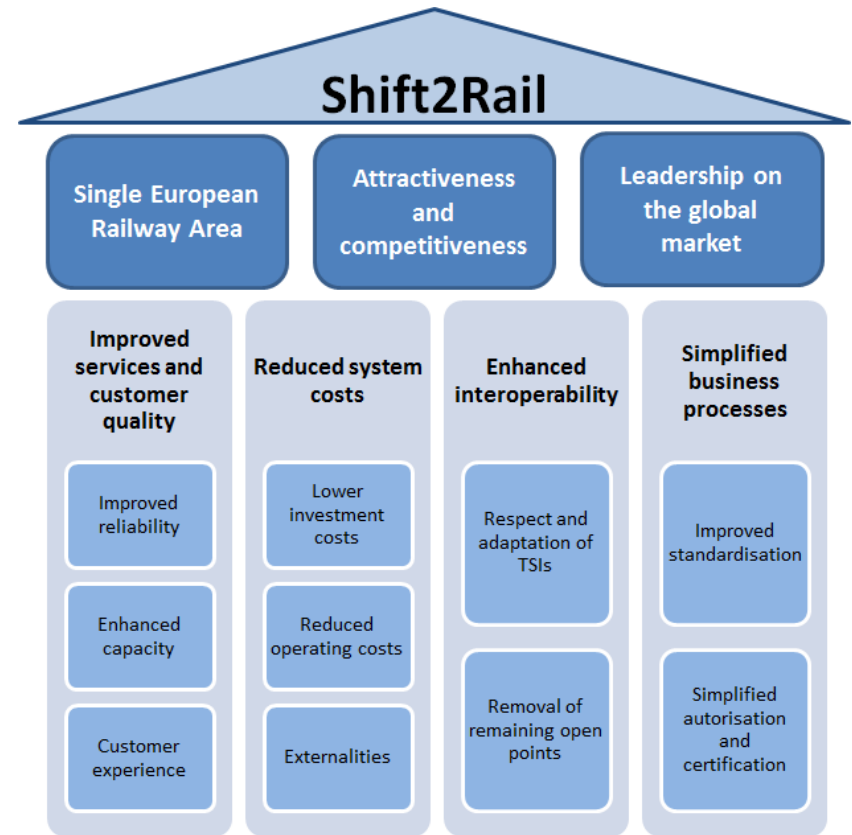
A public-private partnership, a platform for the rail sector as a whole to work together to drive innovation in the years to come ... 2024... to achieve

- a **50 % reduction** of the **life-cycle cost of the railway transport system** (i.e. costs of building, operating, maintaining and renewing infrastructure and rolling stock);
- a **100 % increase** in the **capacity of the railway transport system**;
- a **50 % increase** in the **reliability and punctuality** of rail services (measured as a 50 % decrease in unreliability and late arrivals).

Council Regulation (EU) No 642/2014 of 16 June 2014 (S2R Regulation)

Key objectives

- **Single European Railway Area**
- **attractiveness and competitiveness of the European railway system**
- **leadership on the global market**



An open organization

- **8 Founding Members** having committed at least EUR 30 million for the duration of Shift2Rail, to secure substantial industry co-funding from the outset
- **19 Associated Members** selected as a result of a call representing a broad range of actors from the entire rail value chain and from other innovative sectors, including SMEs, research organizations, universities, etc.
- **at least 30%** of the Union contribution through **calls** for non-JU members

BOMBARDIER
the evolution of mobility

 **DIGINEXT**
be visionary

CFW

CAF

SmartRaCon

Ansaldo STS
A Hitachi Group Company



amadeus



SIEMENS



ALSTOM



kapsch >>>

THALES

SwiTRACK'EN
Switch TRACK and ENERGY



HaCon
Traffic • Software • Service



Talgo



mermec

KNORR-BREMSE



- **Research and Innovation Actions (RIA)**
- **Innovation Actions (IA)**
 - Demonstration actions

Up to
TRL 5



TRL 8

- **Coordination and Support Actions (CSA)**

cross-sectorial challenges, supporting VCs, networking...

Programme financials

IPs 777 M

IKAA
163M

IP1
225M

IP2
195M

IP3
153M

IP4
86M

IP5
83M

CCA
35M

Other
27M

Programme 967M

S2R (H2020)
Co-Fin 450M

Railway Sector Net
Contribution 490M

Other
27M

- **Lighthouse**, ongoing 4 Projects & 52 Mio EUR
- **Members' R&I activities**, 1 Sept 16, 13 Projects & 142 Mio EUR
- **OC R&I activities**, by 1 Nov 16, 14 Projects & 25 Mio EUR
- 1st meeting of **System Integration Working Group**
- **States Representative Group and Scientific Committee meetings**
- **Multi-Annual Action Plan** Top Down review
- **Annual Work Plan 2017** under preparation & Info Days
- Set up of the Organization ongoing

- Launch of call for proposals early 2017
- Coverage of all Multi-Annual Action Plan subjects
- Indicative Budget as per multi-annual planning indicatively at EUR 60 million of which around EUR 20 million open to non-member entities
- Involvement of SMEs to be fostered, although already meeting the 30% target in previous calls
- Dissemination and promotion activities to make S2R an open platform for Railway Research and Innovation
- Mid-term evaluation and recommendation for the future

Key S2R reference documents



- **Shift2Rail JU Regulation:** general objectives
- **The S2R Master Plan** a high-level strategic vision and key priority research areas.
- **The S2R Multi-annual Action Plan (MAAP):** detailed, long-term investment plan translating the MP into concrete actions, milestones and deliverables to be undertaken collaboratively by the S2R JU in the period 2015-2024
- **The S2R annual work plans contain** the specific topic scope and links across projects

GENERAL INTRODUCTION

PART 1:

**SHIFT2RAIL: PROMOTING THE MODAL
SHIFT AND THE COMPETITIVENESS OF
THE EUROPEAN RAILWAY INDUSTRY**

PART 2:

**SHIFT2RAIL PROGRAMME SCOPE AND
STRUCTURE**

PART 3: DETAILED MULTIANNUAL ACTION PLAN PER IP

IP1

IP2

IP3

IP4

IP5

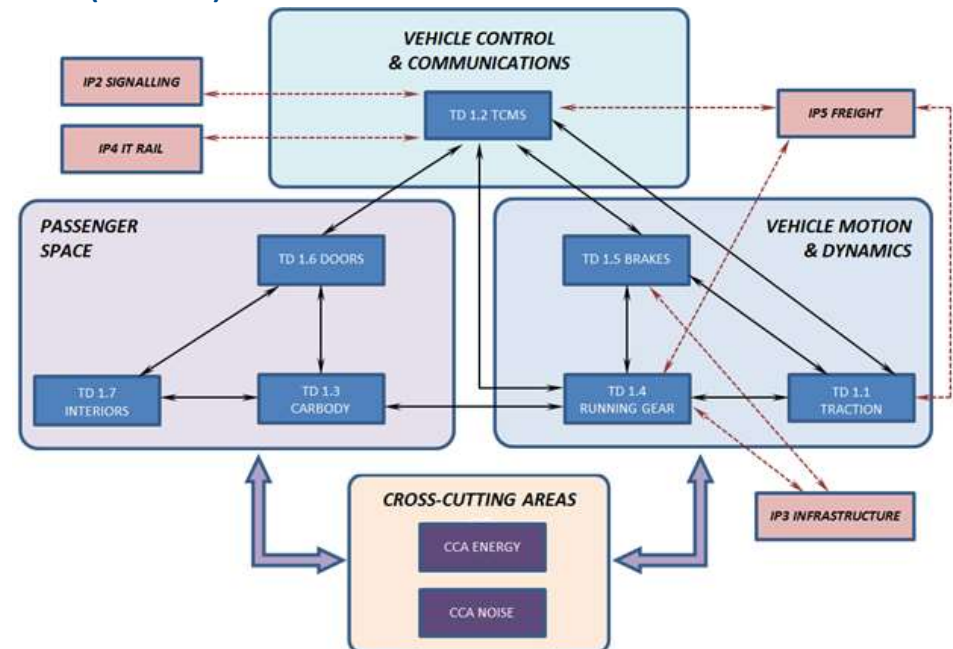
CCA

IP1 - Cost Efficient and Reliable Trains

Expected value of the entire IP : EUR 221.5M

Overview of the Technical Demonstrators

- TD1.1 – Traction Systems
- TD1.2 – Train Control and Monitoring System (TCMS)
- TD1.3 - Carbody Shell
- TD1.4 - Running Gear
- TD1.5 – Brakes Systems
- TD1.6 - Doors and Access Systems
- TD1.7 - Train Modularity In Use (TMIU)

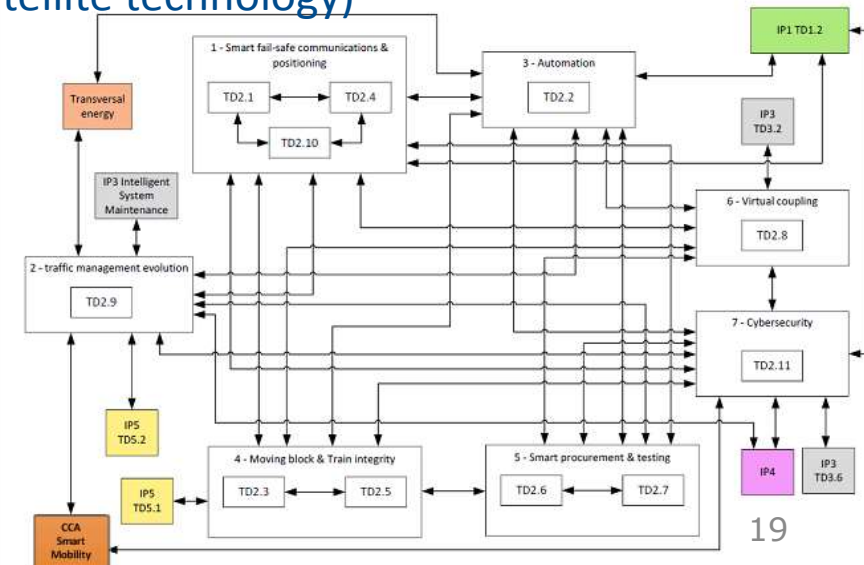


IP2 - Advanced Traffic Management and Control Systems

Expected value of the entire IP : EUR 191,4M

Overview of the Technical Demonstrators

- TD2.1 – Adaptable communications for all railways
- TD2.2 – Railway network capacity increase (ATO up to GoA4 - UTO)
- TD2.3 - Moving Block
- TD2.4 - Fail-Safe Train Positioning (including satellite technology)
- TD2.5 – On-board Train Integrity
- TD2.6 - Zero on-site testing
- TD2.7 - Formal methods and standardisation
- TD2.8 – Virtually - Coupled Train Sets
- TD2.9 – Traffic management evolution
- TD2.10 - Smart radio-connected objects
- TD2.11 – Cyber Security

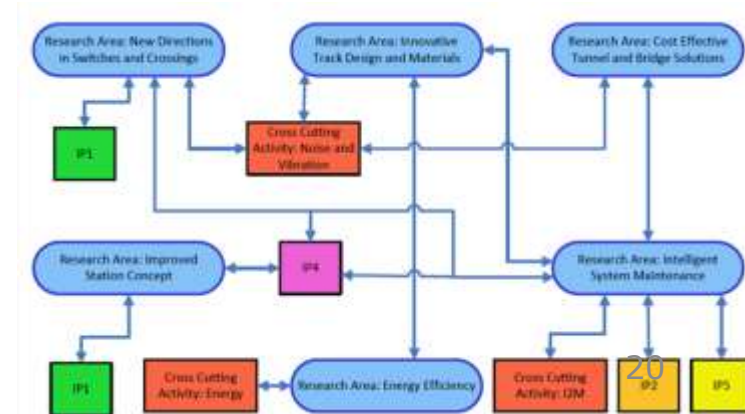


IP3 - Cost Efficient and Reliable Infrastructure

Expected value of the entire IP : EUR 150,3M€

Overview of the Technical Demonstrators

- TD3.1 – Enhanced Switch & Crossing System
- TD3.2 – Next Generation Switch & Crossing System
- TD3.3 - Optimised Track System
- TD3.4 - Next Generation Track System
- TD3.5 – Proactive Bridge and Tunnel Assessment, Repair and Upgrade
- TD3.6 - Dynamic Railway Information Management System
- TD3.7 - Railway Integrated Measuring and Monitoring System
- TD3.8 – Intelligent Asset Management Strategies
- TD3.9 – Smart Power Supply
- TD3.10 - Smart Metering
- TD3.11 – Future Stations

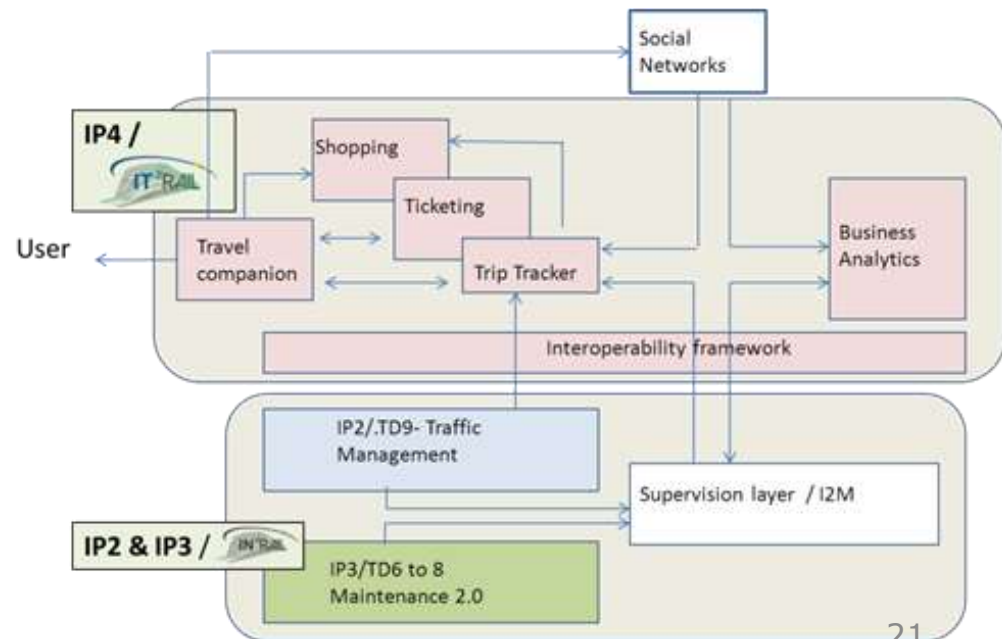


IP4 - IT Solutions for Attractive Railway Services

Expected value of the entire IP : EUR 84,8M€

Overview of the Technical Demonstrators

- TD4.1 – Interoperability Framework
- TD4.2 – Travel Shopping
- TD4.3 - Booking & Ticketing
- TD4.4 - Trip Tracker
- TD4.5 – Travel Companion
- TD4.6 - Business Analytics Platform
- TD4.7 – integrated TD



IP5 - Technologies for sustainable and attractive European rail freight

Expected value of the entire IP : EUR 82,1M

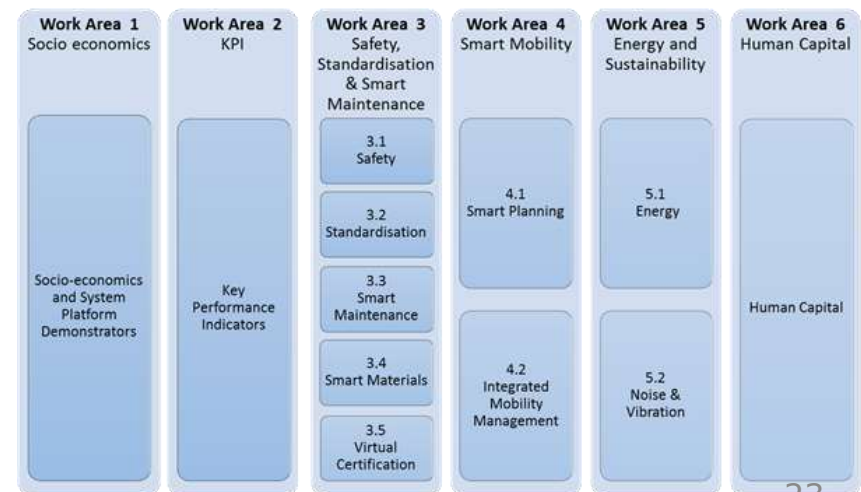
Overview of the Technical Demonstrators

- TD5.0 – Business analytics and implementation strategies
- TD5.1 – Freight electrification, brakes and telematics
- TD5.2 – Access and Operation
- TD5.3 - Wagon design
- TD5.4 - Novel Terminal, Hubs, Marshalling Yards, Sidings
- TD5.5 – New Freight Propulsion Concepts
- TD5.6 - Autonomous train operation

Expected value of the entire IP : EUR 34,6M

Overview of the Working Areas

- Work Area 1 - Long-term needs and socio-economic research
- Work Area 2 – KPI method development and integrated assessment
- Work Area 3 – Safety, Standardisation, Smart Maintenance, Smart Materials & Virtual certification
- Work Area 4 –Smart Mobility (Smart Planning & Integrated Mobility Management)
- Work Area 5 Energy and Sustainability (Noise & Vibration)
- Work Area 6 – Human Capital

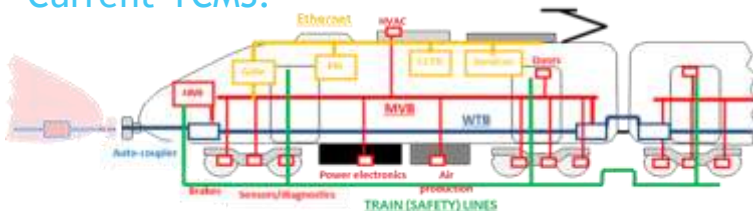


Example of a Technology Demonstrator

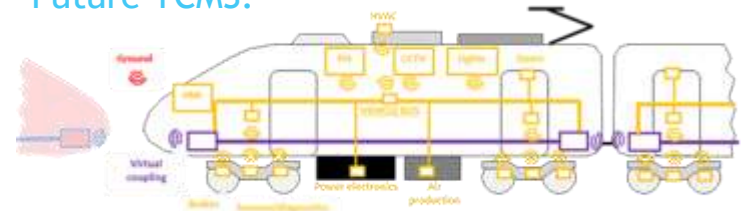
TD1.2 Train Control and Monitoring System Demonstrator

- Technological output to be delivered by this TD:
New generation TCMS architectures and components with wireless capabilities, enhanced throughput, safety and security functionalities, supporting distributed function execution and mechanisms for easier authorisation.
- Specific achievements to be delivered by this TD:
 1. Reduce the amount and weight of cabling for train control by half (Save 10 km of cable in each 20 m railcar). Reduce the space used by electronics hardware by 25%
 2. Ability to implement SIL4 functions in the TCMS to perform additional safety-critical tasks.
 3. Increase in the availability of trains related to the functioning of train control and monitoring by 50%
 4. Ability to couple any pair of multiple unit of different types, a feature currently totally non-existent and can significantly increase line capacity
 5. Support technologically the development of the “virtual coupling” concept, which can dramatically increase the capacity of lines
 6. Reduce cost, time and effort in project engineering, integration and authorisation phases by 50%

Current TCMS:



Future TCMS:



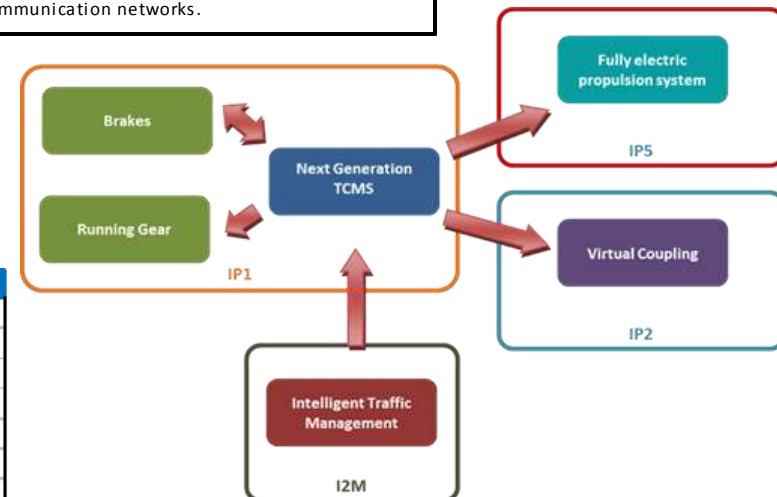
Example of a Technology Demonstrator

- the contribution of TD 1.2 TCMS to the different ITDs of Shift2Rail :

Research Area	Specific Techn. objective	Specification Activities	Demonstrator		Focus of activity
			Market	TRL	
Train Control & Monit. System	Wireless TCMS	Radio techn., architecture and protocols	Metro Regional	6/7 6/7	Incorporate wireless technologies to the train communication network solutions (i.e. train backbone, consist network and train to ground communication).
	Drive-by-data	Architecture, protocols	Metro Regional	6/7 5	Provide a train-wide communication network for full TCMS support including the replacement of train lines, connecting safety functions up to SIL4 (incl. signalling).
	Functional distribution architecture	Specification, architecture and interface definition	Metro Regional	6/7 5	New architectural concept based on standard framework & application profiles, distributed computing to allow execution of compliant functions on end devices distributed along the vehicle meeting different safety & integrity requirements
	Virtual Placing on the Market	Technology definition, protocols and procedures	Generic	6/7	Support the Functional Open Coupling
					Standardised simulation framework in which all subsystems of the train will be simulated, allowing remote and distributed testing including hardware in-the-loop through heterogeneous communication networks.

- Interaction with other TDs and IPs:
- Planning (budget estimated at 48,8M€):

TASKS	TRL	2015	2016	2017	2018	2019	2020	2021
TD1.2 TCMS								
1.2.0 General specification	-							
1.2.1 Wireless TCMS	6/7							
1.2.2 Drive-by-data	6/7							
1.2.3 Functional distribution architect.	6/7							
1.2.4 Virtual placing on the market	5							
1.2.5 Integration, demo & assessment	6/7							
1.2.6 Technical coordination	-							

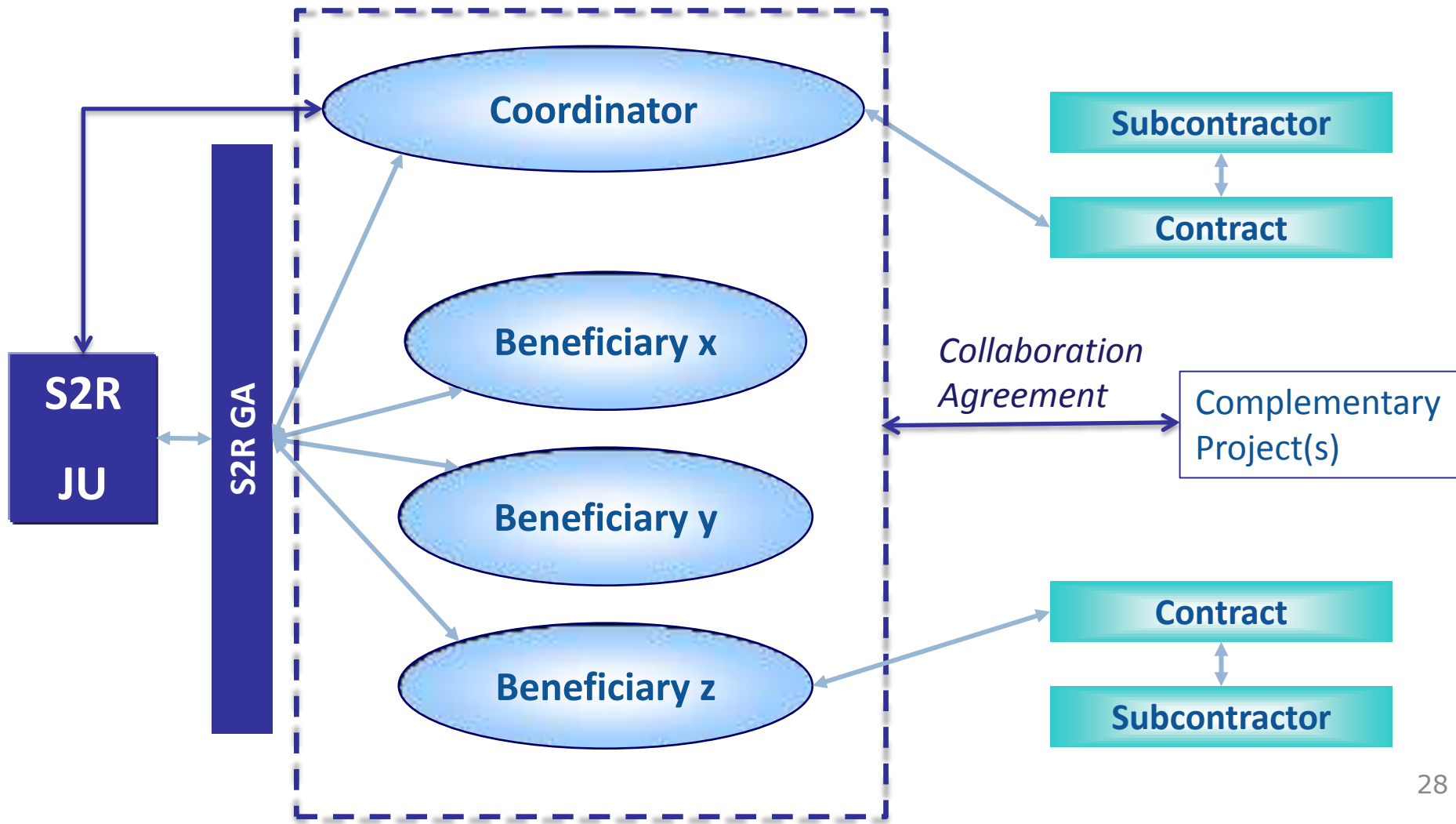


- a **reference document**
- all **grants awarded** for the action/projects should **aims to achieve the Multi Annual Action Plan**
- base for **qualitative content** and identification of **expertise gaps**
- facilitate the preparation of **result-oriented Annual Work Plans**

4 - Manage your project: Legal Aspects

Range of Contractual Agreements

Consortium Agreement



Grant Agreement structure

H2020 Grant Agreement

Annex 1: Description of the action part A & B

Annex 2: Estimated budget

Annex 3: Accession forms of beneficiaries

Annex 3a: Declaration joint liability of third parties

Annex 4: Model financial statements

Annex 5: Model certificate on financial statements

Annex 6: Model certificate on the methodology

Subsidiarity: contributions must be necessary

Principle: a beneficiary must have the capacities to perform the action

Subcontracting: only a limited part of the action

Generally, beneficiaries are meant to deal directly with the majority of the action

Types of third parties	CHARACTERISTICS						
	Does work of the action	Provides resources or services	What is eligible?	Must be indicated in Annex 1	Indirect costs	Selecting the third party	Articles
Linked third party	YES	NO	Costs	YES	YES	Must be affiliated or have a legal link	Article 14
Subcontractors	YES	NO	Price	YES	NO	Best value for money, avoid conflict of interest	Article 13
Third party providing in-kind contributions	NO	YES	Costs	YES	YES	Cannot be used to circumvent the rules	Articles 11 and 12
Contractors	NO	YES	Price	NO	YES	Best value for money, avoid conflict of interest	Article 10

Linked third parties (1)

Affiliated entities (capital link) are:

- under the direct or indirect control of the beneficiary or
- under the same direct or indirect control as the beneficiary or
- directly or indirectly controlling the beneficiary.

Entities with a legal link:

- broad relationship
- not specifically created for the work in the GA (no ad hoc collaboration agreements).

Linked third parties (2)

Legal link: takes the form of an agreement (collaboration agreement, membership agreement for an association, etc...). In principle, precedes and outlasts the GA.

Joint and several liability of a linked third party may be required by the Agency during the selection procedure if:

- the financial viability/capacity of a beneficiary is 'weak'
- the beneficiary mainly coordinates the work of its third linked party.

Linked third parties (3)

No profit, only costs are eligible.

Performance of an action task.

Third party with In-kind contributions

Art. 11 – Against payment

Art. 12 – Free of charge

- Relate to **non-financial resources**: seconded staff, equipment, infrastructure and others.
- No action task.
- A legal framework must exist for the contribution: collaboration agreement.
- No profit. Only incurred costs are eligible and in accordance with the existing collaboration agreement with the beneficiary.

Purchases of goods, works or services (Art.10)

- If necessary to implement the action and limited in cost and scope.
- National public procurement rules/best value for money.

Subcontracting versus Purchases:

- Implementation of action task or only participation in its implementation (auxiliary tasks)?
- Grey area.
- Best value for money'/national law on public procurement in both cases.

Subcontracting (Art. 13)

Relates to **action tasks** and may only cover a **limited part of the action**, if **necessary** to implement it.

Best value for money/national procurement rules.

Transparency.

Conflict of interest.

Contractual and commercial relationship entailing profit.

Framework contracts: can be a basis to select the subcontractor if awarded according to principles.

New subcontracts: amendment in principle.

25% indirect costs inapplicable.

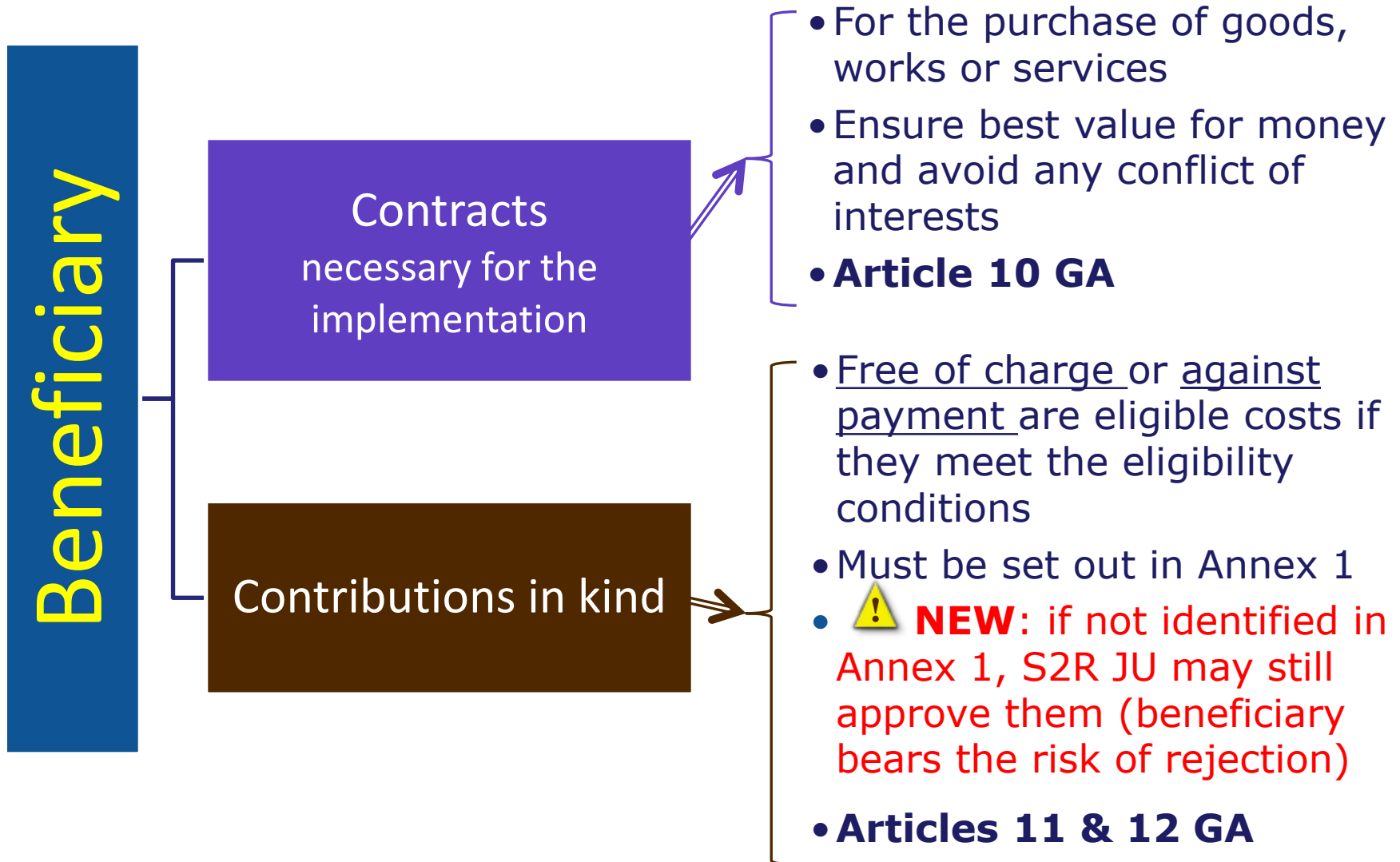
Specific cases: exclusion of subcontracting.

"Pre-selected" subcontractors.

Contribution and estimation of costs.

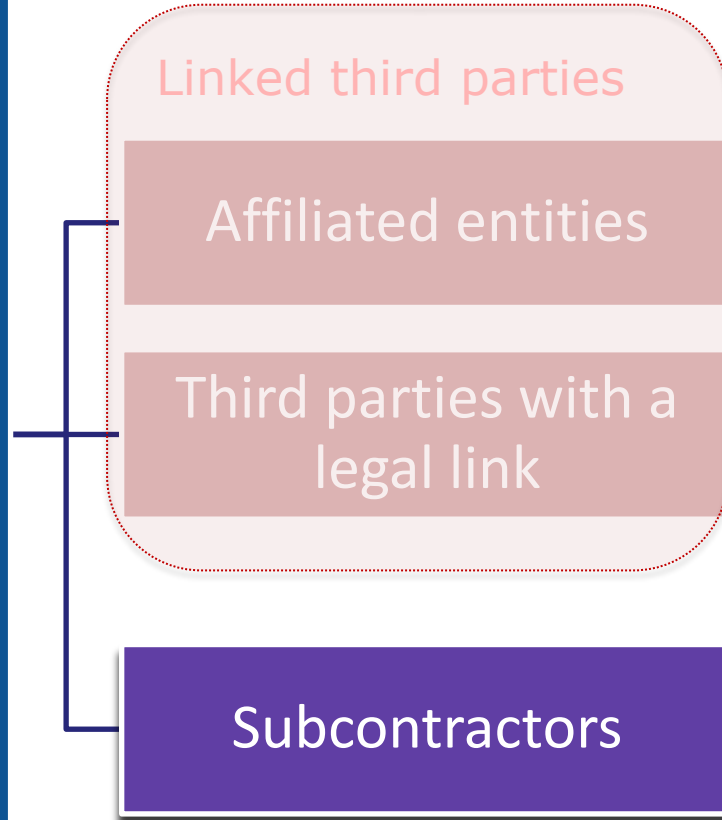
Selection procedure.


Summary: Third parties (1)



Summary: Third parties (2)

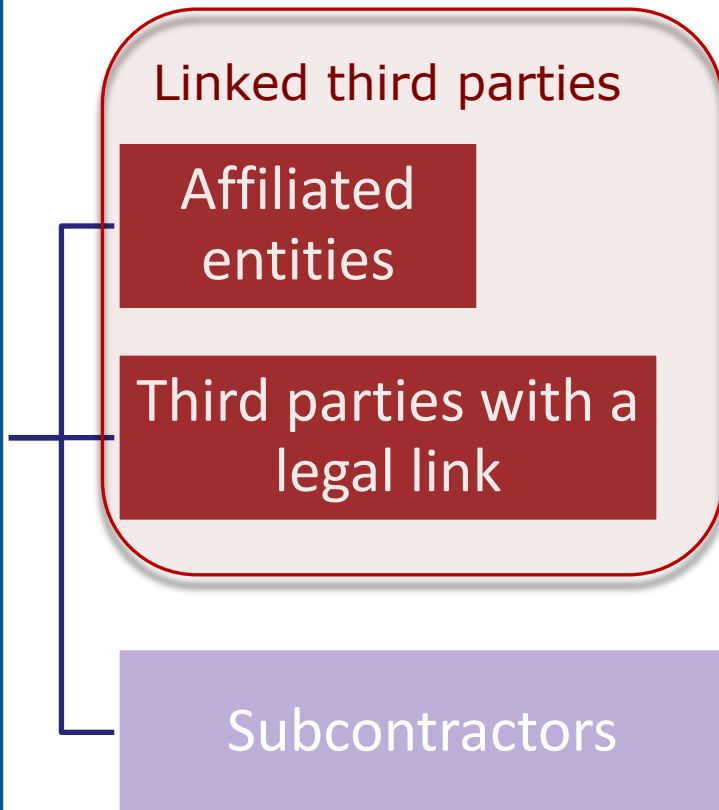
Beneficiary



- Ensure best value for money and avoid any conflict of interests
- Estimated costs and tasks must be identified in the budget and Annex 1
-  **NEW:** if not identified in Annex 1, S2R JU may still approve them (beneficiary bears the risk of rejection)
- **Article 13 GA**

Summary: Third parties (3)

Beneficiary



- Similar to FP7 Special Clause 10
- Must be identified in the GA
- Separate tasks / budget
- Same cost eligibility criteria like beneficiaries
- ⚠ NEW: S2R JU may request them to accept joint and several liability for their EU contribution
- **Article 14 GA**

Consortium Agreement (1)

- The S2R JU is NOT part of it.

Key issues addressed in the Consortium Agreement:

- Management
- distribution of funds
- internal organisation of work, internal reporting
- evolution of the consortium
- IPR (to be decided before signature of contract)
- Risk management / collective responsibility
- Decision-making process

Consortium agreement (2)

Mandatory if no exception in the WP.

Must not contradict the GA.

Conclusion before GA signature highly
recommended.

1. complementary is defined at topic level
2. evaluation of complementary project proposals is done by the same panel of experts
3. complementarity between topics is compulsory established in the Grant Agreement
4. IP SteCos and CCA WG high level synchronization points: **Project Coordinators may attend the SteeCo meetings as observer and IP Coordinators cooperate with project coordinator to foster/promote synergies**
5. S2R Programme Managers: Central Contact Point for both projects

Collaboration Agreement

- to be signed between the complementary beneficiaries of OC with beneficiaries of CFM (**Arts. 2 and 41.4 of the GA**)
- Model Collaboration Agreement to be used ... but to be fine-tuned by the parties to suit the specific needs
- use a different Collaboration Agreement to be shared with S2R JU
- **not required to be signed before starting the project** but preferable **asap**
- collaboration may entail **changes in your own project**: assess the need for an **amendment**

Ethics review is conducted in order not to fund proposals that contravene ethical principles. Proposals that are security sensitive must undergo a security screening

Self-assessment at the stage of proposals submission

Ethics review during the selection procedure

- Clearance
- Conditional clearance
 - definition of ethics requirements
 - Ethics deliverables
- Recommendation for ethics checks

Ethics checks, review and audits

Common ethics issues – participation of humans in research, protection of personal data, participation of third countries, dual use

Suspension of the GA (1)

By the beneficiaries:

- exceptional situation when "force majeure" reasons apply
- amendment necessary to set resume date, extend duration of action and other changes

Suspension of the GA (2)

By the JU (Art.49§2 GA):

- if the beneficiary has committed (or is suspected of this) substantial errors, irregularities, fraud or serious breach of obligations in the award procedure or under the GA
- if the beneficiary has committed systemic/recurrent errors, irregularities, fraud etc in other grants that have a material impact on our grant
- if the action is suspected of having lost its scientific or technological relevance

NB: Contradictory procedure > 30 days to submit observations for the coordinator

Attention: in both cases costs incurred during the suspension period are NOT eligible.

Termination (1)

- Termination of the GA by the beneficiaries
- Termination of participation(s) by the beneficiaries
- Termination of the GA by the Agency
- Termination of participation of one or more beneficiaries by the Agency: only for the 11 grounds listed under Art. 50.3.1 GA

Termination (2)

- Termination by the JU (Art. 50.3 GA): only for the 11 grounds listed under Art. 50.3.1 GA
- Contradictory procedure: 30 days to submit observations after notification.

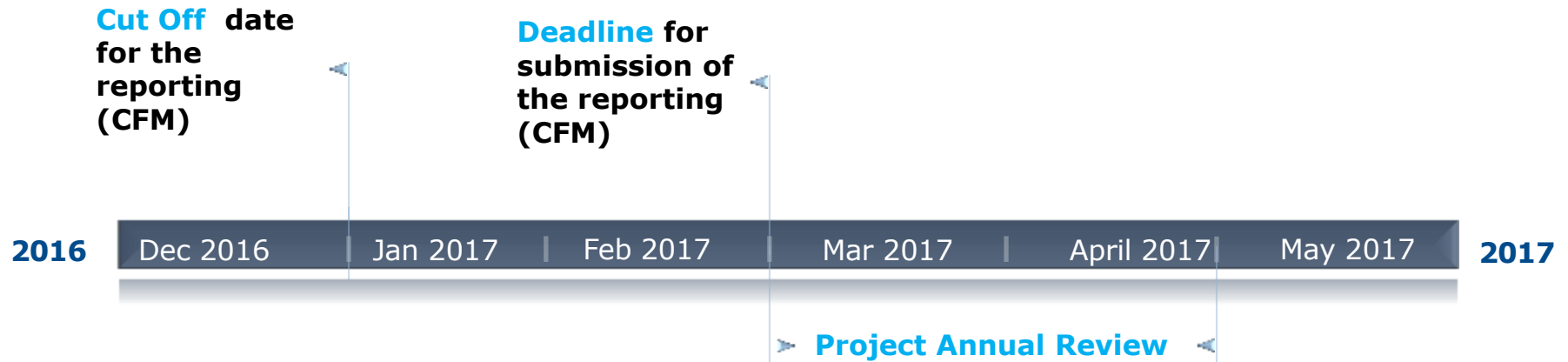
By the beneficiaries (Art. 50.1): justification in the notification.

If justification unsatisfactory (lack of 'legitimate reasons') > improper termination > possible reduction of the grant

No retroactivity

5 – Manage your project: Financial aspects - Reporting, payments, budget and cost categories

5.1 - Reporting & payments



- The S2R JU will undertake regular review for each of the funded project to **ensure the Deliverables are on-track and of the necessary quality**

- Those “investment gate controls” are set in the GA for Members’ project as Annual → month of April, before payments
- For OC projects the control will be based on the received deliverables and project review may also happen during the same period

ARTICLE 20 — REPORTING — PAYMENT REQUESTS

ARTICLE 20 — REPORTING — PAYMENT REQUESTS

20.1 Obligation to submit reports

The coordinator must submit to the *[Commission][Agency]* (see [Article 52](#)) the technical and financial reports set out in this Article. These reports include the requests for payment and must be drawn up using the forms and templates provided in the electronic exchange system (see [Article 52](#)).

20.2 Reporting periods

The action is divided into the following ‘**reporting periods**’:

- RP1: from month 1 to month *[X]*
- [- RP2: from month *[X+1]* to month *[Y]**
- RP3: from month *[Y+1]* to month *[Z]*
- [same for other RPs]*
- RPN: from month *[N+1]* to *[the last month of the project].]*

Legal Obligation for reporting

- **S2R, deadline 31.01.n+1**

“The members of the S2R Joint Undertaking other than the Union shall report by 31 January each year to the Governing Board of the S2R Joint Undertaking on the value of the contributions referred to in paragraph 2 made in each of the previous financial years”

Article 4.3 of the S2R Council Regulation

- **H2020**

Article 20 AGA: common practice, for example, 1 review per 18 Months project duration

- **Reporting period ending 31.12.n for H2020 eligible costs, IKOP and IKAA** (as set in Article 20 AGA for H2020 eligible costs)
- **Deadline 31.01.n+1**
 - Periodic Action Cost: H2020 eligible cost + IKOP per beneficiary. Template provided by S2R/submitted by the Project Coordinator/data per Member consolidated by S2R
 - IKAA declaration to S2R by each Member
- **Deadline 28.02.n+1**
 - The Request for funding is finalised, the information from the [Excel template] is coded by then in H2020 Participant Portal covering also IKOP and adjusted as needed versus the version submitted on 31.1
- **Deadline 30.04.n+1**
 - Certificate on the Periodic Action Cost and IKAA supplied to S2R

Cut Off
date for the
reporting

Certification for Project Action Cost and
IKAA

2016

Dec 2016

Jan 2017

Feb 2017

Mar 2017

April 2017

May 2017

2017

Deadline
to submit
excel
sheet on
estimates
of total
action
cost
under
Grant
Agreement, (incl
IKOP)

Deadline
to submit
excel
sheet on
estimates
of IKAA.

Deadline to
insert the
financial
information
to the
Participant
Portal

Deadline
for the
interim
payment by
using
60+90 days

Types of payments (Article 21)



One *pre-financing*



One or several *interim payments*



One *payment of the balance*

- Payments will be made to the **coordinator** to the **bank account** established in the grant agreement
- Coordinator must distribute the payments to the beneficiaries without **unjustified delay**
- The coordinator will inform about the **distribution of the payments**: if the S2R JU requires it, in the event of a recovery at payment of the balance, if the participation of a beneficiary is terminated
- If the S2R JU does not pay within the deadline, the beneficiaries are entitled to a **late-payment interest**

One pre-financing payment

When

- Within 30 days from the signature of the grant or 10 days before the starting date, whichever is latest

How much

- Usually = maximum grant amount / number of periods
- Retention 5 % of maximum grant for Guarantee Fund

Characteristics

- It remains the property of the EU until the payment of the balance

EXAMPLE			
Maximum grant amount (Article 5.1)	Funding rate	Reporting periods	Guarantee Fund (5 % x 1 000 000)
1 000 000	100%	3	50 000

Usual pre-financing = maximum grant amount / number of periods

Pre-financing Payment

$$\begin{array}{ccccc} 283\,334\,€ & + & 50\,000\,€ & = & 333\,334\,€ \\ \text{Transferred to the consortium} & & \text{Transferred to the Guarantee Fund} & & \end{array}$$

- Participant's Guarantee Fund is established amounting to **5% of total funding contribution**
- The Guarantee Fund **belongs to all beneficiaries** of grant agreements under H2020
- Financial interests generated by the Guarantee Fund will serve to **cover against financial risks**
- The amount contributed to the Fund will be **reimbursed at the end of the final payment** after the end of the project

Periodic report ⇒ submitted by coordinator 60 days after end of reporting period

Periodic Technical Report

- ✓ explanation of the work carried out
- ✓ overview of progress (milestones and deliverables)
- ✓ summary for publication
- ✓ plan for the exploitation and dissemination of results (if required)
- ✓ answers to the questionnaire

Periodic Financial Report

- ✓ Financial Statement (individual & summary)
- ✓ Explanation of the use of the resources

After the end of each interim period

An interim payment

When

- 90 days from reception of periodic reports

How much

- EU contribution corresponding to the eligible costs incurred in the reporting period
- Limit = 90 % of the maximum grant amount

Characteristics

- Ineligible costs will be rejected and not taken into account for the payment

Final report

⇒ submitted by coordinator 60 days after end of last reporting period

In addition to the periodic report

Final Technical Report

- ✓ summary for publication
- ✓ overview of results and their exploitation & dissemination
- ✓ conclusions of the action and socioeconomic impact

Final Financial Report

- ✓ Summary Financial Statement
- ✓ Certificate on Financial Statement (if needed)

A payment of the balance

When

- 90 days from reception of final reports

How much

- Reimburses the remaining part of the eligible cost incurred
- Includes the release of the Guarantee Fund (GF)

Characteristics

- If Σ payments made $<$ final grant amount : *payment*
- If Σ payments made $>$ final grant amount : *recovery* \rightarrow first by offsetting with GF released, if not enough, by a recovery order
- If applicable: receipts & reduction of the grant will be taken into account to determine the final grant amount

Final grant amount: example

EXAMPLE

Maximum grant amount	Approved eligible costs	Funding rate	If Receipts	If Reduction
200	220	100%	30	20

Step 1

Total approved eligible costs X reimbursement rate (100% research actions/70% and 100% innovation actions)

$$220 * 100 \% = 220$$

Step 2

The lower between Step 1 and the maximum amount of the grant

$$\text{Lower between } (220; 200) = 200$$

Step 3

If reduction due to the no-profit rule

(Profit (only if positive) = Step 2 + receipts – Eligible cost)

$$200 - (200 + 30 - 220) \Rightarrow 200 - 10 = 190$$

Step 4

If reduction due to improper implementation or breach obligations under GA, the lower between Step 3 and the reduced maximum grant

$$\text{Lower between } (190; (200 - 20)) \Rightarrow \text{Lower between } (190; 180) = 180$$

(Article 20.8)



The consortium is late: no reports on time

☞ The S2R JU will send a reminder

☞ The payment deadline is suspended

☞ If still not submitted after 30 days, the S2R JU may terminate the grant agreement !



One beneficiary is late: its report is not ready

☞ The Coordinator may decide to submit the reports without that beneficiary

☞ Beneficiary's costs will be considered 'zero' for this reporting period, but it can declare its costs with the next reporting period

The S2R JU analyses the reports and:



The reports are complete and satisfactory, so it pays



The reports are incomplete / further information is needed:



Commission/Agency request information to coordinator



Payment deadline is suspended



In exceptional cases the S2R JU may:



Reject the reports giving justification



Suspend the payments for one or more beneficiaries



Terminate the grant

- The reports must be in the language of the agreement:
generally **English**
- The financial reports must be **in €**
- **Linked third parties** fill in a separate financial statement but only their beneficiaries can encode it in the IT system
- Don't forget to submit the **Certificate on the financial statements** (for beneficiaries and/or the linked third parties), if needed
 - * as part of the final report
 - * when total EU contribution claimed by the beneficiary on the basis of actual costs + unit costs for average personnel \geq EUR 325.000 (excluding e.g. flat rates !)

5.2 - Budget and cost categories

Budget transfers and re-allocation

Amendment needed?

From one beneficiary to another

NO

From one budget category to another

NO

Re-allocation of Annex 1 tasks

YES

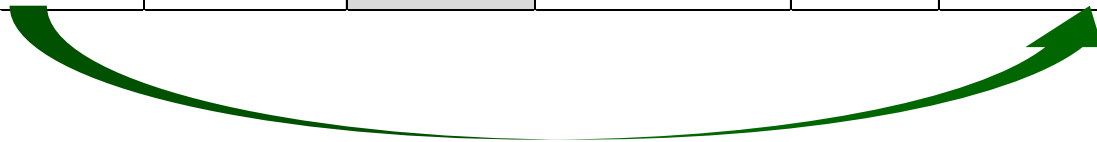
Transfers between forms of funding (actual costs, unit costs, etc.)

YES if no budget was foreseen for the "form" receiving the transfer

New subcontracts

YES (strongly advised)

Estimated eligible* costs (per budget category)							
Form of costs****	A. Direct personnel costs				B. Direct costs of subcontracting	[C. Direct costs of fin. support]	D. Other direct costs
	A.1 Personnel A.2 Natural persons under direct contract A.3 Seconded persons [A.6 Personnel for providing access to research infrastructure]		A.4 SME owners without salary A.5 Beneficiaries that are natural persons without salary				D.1 Travel D.2 Equipment D.3 Other goods and services D.4 Costs of large research infrastructure
	Actual	Unit ①	Unit ②		Actual	Actual	Actual
			XX EUR/hour				
	(a)	Total (b)	No hours	Total (c)	(d)	(e)	(f)
Beneficiary 1	500.000	0	100	3.213	150.000	0	325.000
Beneficiary 2	0	300.000	0	0	0	0	125.000



- Subject to **approval of technical reports**
- Stated costs must be **reasonable compared to work**
- **Actual** (or follow the rules e.g. **unit costs**)
- Incurred **during duration of project**
- In accordance with **beneficiary's usual accounting** and management principles
- **Recorded** in the accounts of beneficiary
- Used for the sole purpose of **achieving the objectives of the project**

- Staff working on the project must keep **time records** (hours they spend on the project; regularly (daily, weekly); countersigned by a supervisor)
- You must declare costs based on the actual amounts spent (AGA Article 5, Article 6(1)): **Personnel Costs** based on actual staff costs; **Other direct costs** based on actual costs for the project (AGA Article 6,2 D); **Depreciation** costs for assets; Real costs of **consumables**
- You **cannot**, under any circumstances, **sub-contract to a project partner** (AGA Article 13)

Forms of costs

Actual costs

- Costs actually incurred, identifiable and verifiable, recorded in the accounts, etc. see **Article 6 GA**



- **NEW: non-deductible VAT is now eligible**

Unit costs

- A fixed amount per unit determined by the Funding Authority Example: for SME owners not receiving a salary
- For average personnel cost (based on the usual accounting practices with possible certificate on the methodology)

Flat rate

- A percentage to be calculated on the eligible costs
Example: 25% flat rate for indirect costs

✓ **Less requirements for time records**

Example: No time records for researchers working exclusively on the project.

✓ **Wider acceptance of average personnel costs**

Broadening the acceptance of usual cost accounting practices (including cost-centre approaches) as unit costs.

✓ **Acceptance of additional remuneration**

- *Limited to non-profit legal entities*
- *Up to 8000 Euro/year/person working full-time exclusively in the action*
- *Subject to specific conditions*



CALCULATING PERSONNEL COSTS



ACTUAL PERSONNEL COSTS

Calculation method
defined in the model
GA

UNIT COSTS



Calculated by the beneficiary
in accordance to its usual
accounting practices

(Average personnel costs)



Fixed by the
Commission

for the owners of SME
beneficiaries without a
salary and natural
persons without a
salary

Actual Personnel Costs (calc I)

TOTAL REMUNERATION

Standard remuneration

Basic Salary



"Mandatory extras"

- Fixed by law or by contract to remunerate the main activity of the employee
- Payment not subject to discretion by the employer
- Not linked to a specific project

Examples: 13th month, hazardous work allowance, etc.

Additional remuneration

Other bonuses

- Only eligible for non-profit legal entities
- Subject to specific eligibility criteria
- Maybe triggered by the participation in a specific project



Hourly rate

Actual Personnel Costs (calc I)

$$\text{Actual Personnel Cost} = \text{Hours worked for the project} \times \text{Hourly rate}$$

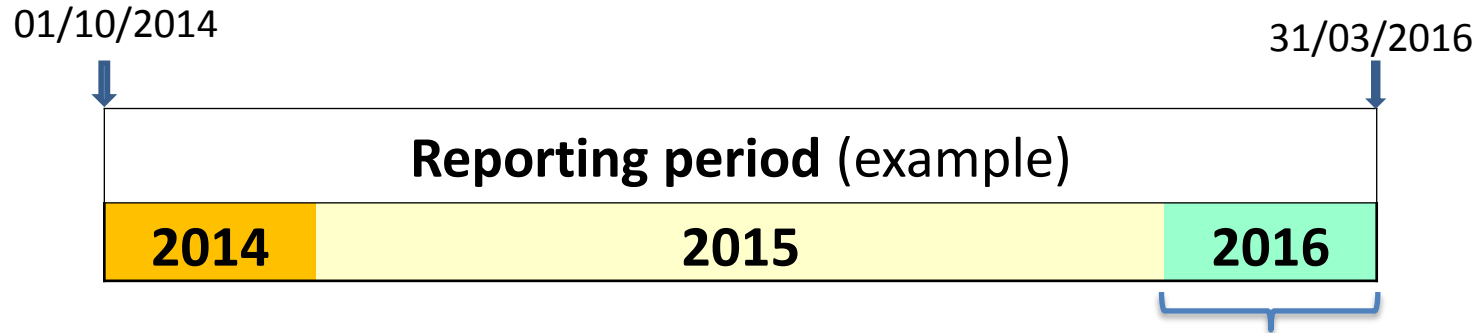
where

$$\text{Hourly rate} = \frac{\text{Annual personnel costs}}{\text{Annual productive hours}}$$

- ➔ The hourly rate is to be calculated **per financial year**
- ➔ If the financial year is not closed at the time of reporting, the beneficiary must use the last closed financial year available.

Actual Personnel Costs (calc II)

Use of the last closed financial year



Hourly rates of 2015 will also be used for these months

ADVANTAGES FOR THE BENEFICIARIES

- ➔ NO ADJUSTMENTS TO BE DECLARED IN THE NEXT PERIOD
- ➔ LEGAL CERTAINTY: NO DOUBTS ABOUT WHAT PERIOD AND WHAT DATA MUST BE USED FOR THE CALCULATION
- ➔ REMOVES ERRORS DUE TO INCORRECT CALCULATIONS FOR FRACTIONS OF A YEAR

Annual Productive Hours



1720 hours

Individual annual productive hours

- Formula: annual workable hours + overtime - absences

Standard annual productive hours

- According to the beneficiary's usual accounting practices; Minimum threshold: annual productive hours $\geq 90\%$ of the standard workable hours

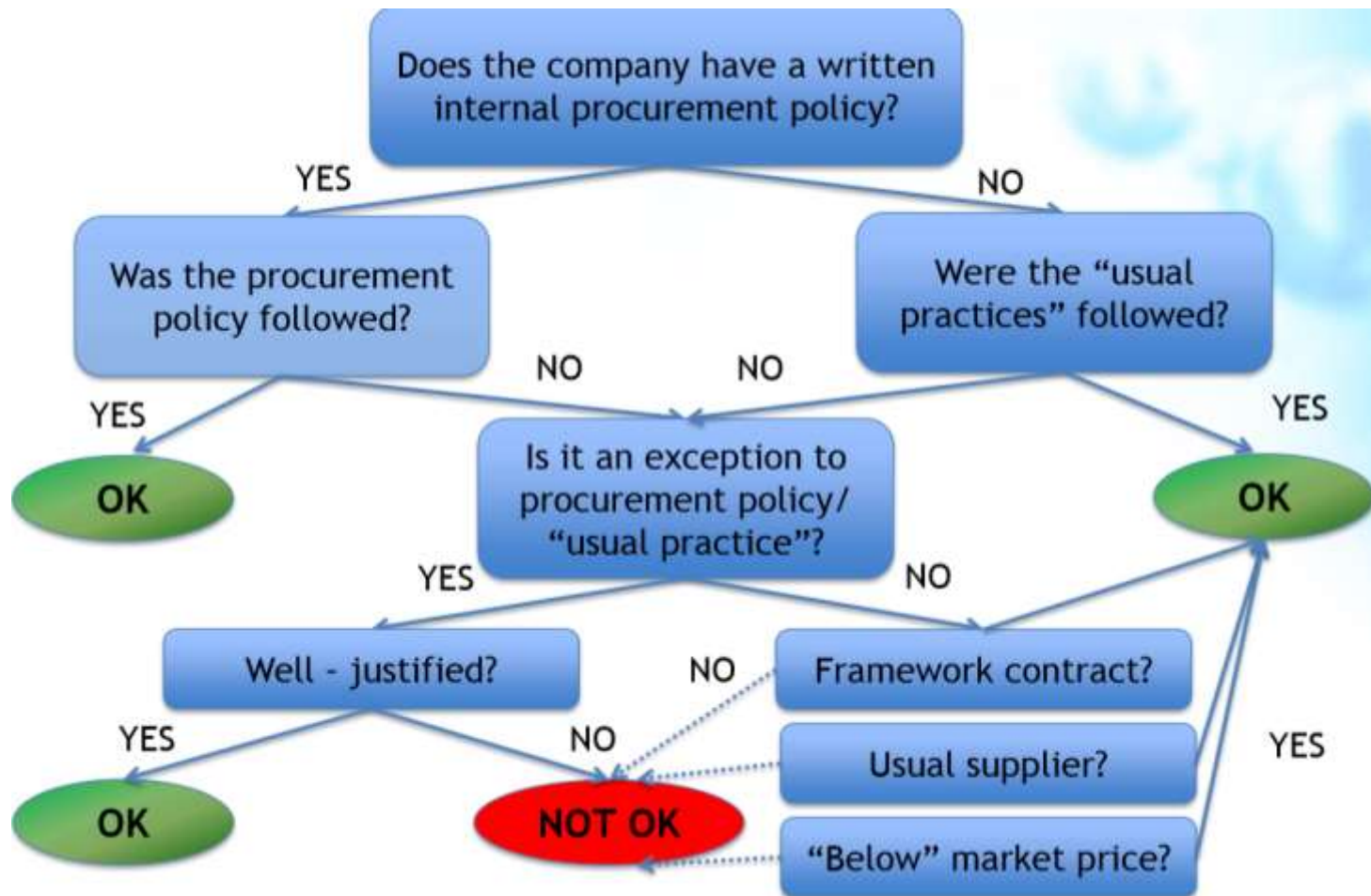
- Cost must be actual, identifiable and verifiable (Art. 6 AGA)
 - *No estimation of costs*
 - *No budgeted costs*
- May include energy and power supply if can be measured and if it is the general practice to include actual cost to a project and not include it to the overheads
- Spare part may be included but only from the portion of actual consumption
- **Contracts when they do not cover the implementation of action task but they are necessary** (audit certificate, translation, consultant, setting up a website if not identified in Annex 1 as a task to the project) – Art. 10 AGA
- Depreciation of equipment only in case directly used in projects, otherwise subject to timesheets (No % approach)

Subcontracting – Art. 13

- Subcontracts cover the implementation of action task as described in Annex 1 (Website, testing, building a prototype or any other defined in Action tasks)
- Not covered by the flat rate of in-direct cost
- Subcontracting between beneficiaries in the same project is not allowed (p. 133 AGA)

Best Value for Money

Decision tree... a possible approach



but refer always to the AGA principles

➤ **Beneficiary's accounts in €**

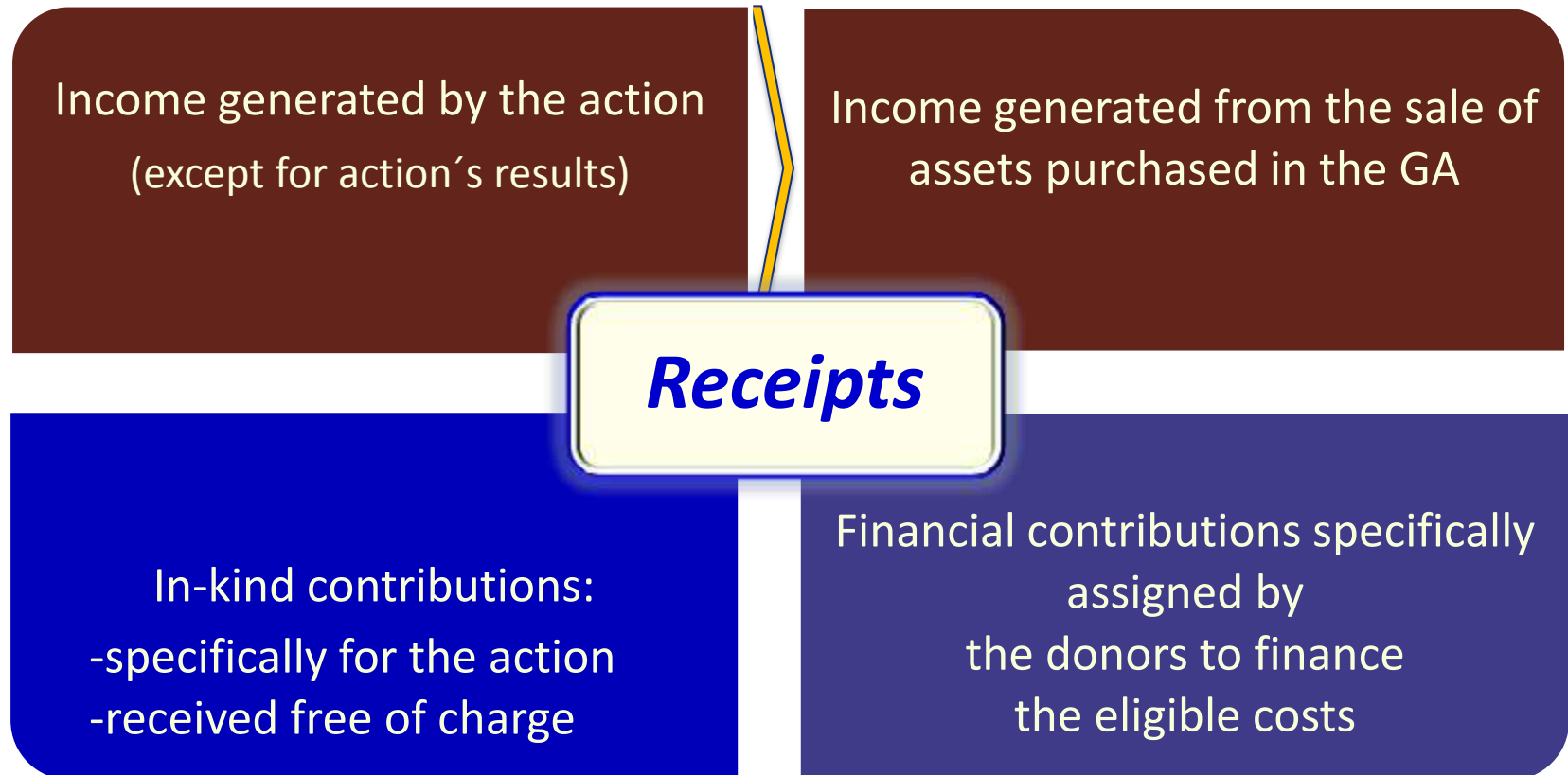
For purchases in other currencies ⇒ conversion into Euros according to its usual accounting practice

➤ **Beneficiary's accounts in other currency**

Average of the daily exchange rates published in the Official Journal of the EU calculated over the reporting period.

Calculation shortcut: you may use the editable charts on the website of the European Central Bank at:

<http://www.ecb.europa.eu/stats/exchange/eurofxref/html/index.en.html>



No-profit rule applied at project level, not per beneficiary!

- Financial viability
 - Most beneficiaries exempt from detailed analysis; only systematic check for coordinators when requested EU funding for the action is \geq EUR 500 000
- Certificates
 - Certificate on the financial statements: Only for final payments when total EU contribution claimed by the beneficiary on the basis of actual costs + unit costs for average personnel \geq EUR 325.000 (excluding e.g. flat rates !)
 - Certificate on the methodology: Optional for average personnel costs (now under unit costs)

- **“Ex-post” controls**
 - Audits of the S2R – performed by EC services on behalf of S2R – limited to two years after the payment of the balance
 - Audits performed by the European Court of Auditors
 - OLAF Investigations....
- **Extension of audit findings**
 - Former "extrapolation" now included in the AGA
 - In the case of systemic or recurrent errors, irregularities, fraud or breach of obligations

6 - Manage your project:

Financial Aspects

Do's and Dont's

Please help us to help you to avoid errors!

Controls and audits are undertaken by the S2R JU (AGA Article 22) and the European Court of Auditors ... OLAF

Identified errors could lead to:

- Recovery of the undue amount (some time after you have received the money!)
- Penalties
- Reputational damage
- Financial losses
- etc

- Check that all third parties have been **clearly** declared (AGA Articles 6, 11, 12, 14)
- Check that all sub-contracting of scientific (or other) work has been **clearly** declared (AGA Article 13)
- Using in-house consultants? – please check the rules carefully (AGA Article 6.2 A2)
- Is a partner an interest group without staff? – normally staff costs relate to employees, this may be better declared as sub-contracting (AGA Article 6.2, A1)

Staff working on the project must keep time records (AGA Article 18)

- staff must record the hours they spend on the project
- regularly (daily, weekly)
- countersigned by a supervisor

You must keep time records!

Typical errors:

- Staff working on the project and sick or on holiday at the same time!!
- Hours claimed cannot be supported
- Impossible number of hours claimed

You must declare costs based on the actual amounts spent (AGA Article 5, Article 6(1))

- Personnel Costs based on actual staff costs
- Other direct costs based on actual costs for the project (AGA Article 6,2 D):
 - Depreciation costs for assets
 - Real costs of consumables
- Please declare all your costs (guidance to AGA Article 20) to mitigate potential disallowance

You must declare costs based on the actual amounts spent

Typical errors

- Declaration of the agreed budget for the project – the budget is a maximum amount, not THE amount or a price!
- Full costs of assets charged
- Internal charging system with no relation to real costs
- No demonstrated link of consumables to the project

You must demonstrate "best value" in purchasing (AGA Article 10) and sub-contracting (AGA Article 13)

- some level of tendering to demonstrate "best value"
 - e.g. tender, three offers, market survey
- We will normally accept your standard practices, when properly used
- We will normally accept commercial agreements already in place
- Naming the supplier in the contract does not mean that you do not have to demonstrate best value

You must demonstrate "best value" in purchasing and sub-contracting

Regular errors

- "best value" not demonstrated – no tender, no offers, no market survey
- Participants own normal practices not applied
- No documentation kept

You may not, under any circumstances, sub-contract to a project partner (AGA Article 13)

Don't charge costs incurred
before the entry into force of the
Grant Agreement

(Unless an earlier start date is agreed with S2R JU)

AGA Article 3, Article 6(1)a(ii)

Why do errors still occur?

- **4 languages spoken**
 - Researchers
 - Accounting and financial people, including auditors
 - Lawyers
 - Policy makers
- **We all want simplification but it comes at a price**
 - Flat rate for indirect costs
 - Usual and unusual accounting principles
 - Legal certainty (both ways)

Why do errors still occur?

- **We are all human beings, and human beings make mistakes**
 - Because of lack of attention;
 - Because of lack of interest;
 - Because subject to temptations (or specific situations)

5 most common errors

1. Direct costs apportioned, not measured

2. Time sheets (we hope no more hourly rates)

3. Best value for money (subcontracting and purchase of goods)

4. Basic vs additional remuneration

5. In-house, near off-site, semi-permanent, teleworking consultants

5+. Same old friends: no papers, UAP, depreciation "in one shot"

In FP7, energy and power supply was an indirect cost:

-> can I charge it as direct in H2020?

Yes, if I can measure it...

Administrative staff members doing project accounting:

-> can I charge them to the project?

Yes, with time sheets...

I have a big multi-purpose equipment and I use it for several activities and projects:

-> can I charge its depreciation to an EC project as a % of total capacity based on my experience?

No. I have to measure its use.

**I work 100% on the project
so I don't have to fill in TS, correct?**

Correct, but pay attention:

- Did I spend a significant part of my time building up a network with other entities or other laboratories of my company, for future projects?
- Did I spend time in writing proposals for the next calls?
- Did I give lectures for the University?
- Did I travel for other unforeseen activities?
- What do I have to indicate in the box of the self-declaration requesting an indication of the activities carried out, per work package?

10

Timesheet needs to show at minimum:

1. Title and number of the project, as specified in the GA
2. Beneficiary's full name, as specified in the GA
3. Full name, date and signature of the person working for the project
4. Number of hours worked for the project in week/month covered by the time record,
& includes absences (sick leave, annual leave, workshop attendance, training...).
5. Supervisor's full name and signature & date
6. Reference to the project tasks or work package described in DoA
7. Brief description of the activities carried out, to show what work was done

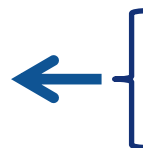
Electronic timesheet:

1. Electronic signature linking the electronic identity data with the electronic validation data require a password and user name
2. There is a documented secure process for managing user rights
3. An auditable log of all electronic transactions

Declaration for persons working exclusively on the action:

Model available in the AGA
(version 19/12/2014)

- ☐ the whole reporting period
- ☐ from/...../.....³ until/...../.....⁴
(This period must cover at least one full natural month)⁵



Declaration on a person working exclusively on a H2020 action

Action			
Title of the action (acronym)		Grant Agreement number	
Beneficiary's/linked third party's name			
Reporting period covered by this declaration ¹			
Reporting period number	from (date)	to (date)	

This document certifies that² has worked for the beneficiary/linked third party exclusively on the above-mentioned H2020 action during (chose one below):

- ☐ the whole reporting period
- ☐ from/...../.....³ until/...../.....⁴
(This period must cover at least one full natural month)⁵

Short description of the activities carried out during the period covered by this declaration	
Reference (e.g. work package)	Activities

SIGNATURES

For the beneficiary/linked third party (supervisor)

Name:

Date:/...../.....

Signature:

For the person working exclusively on the action

Date:/...../.....

Signature:



Only one declaration can be made per reporting period for each person



¹ Only one declaration can be made per reporting period for each person working in the action.

² Insert name of the person.

³ Insert date.

⁴ Insert date.

⁵ The person must keep timesheets for any hours worked for the action outside the period indicated herein.



Indicate nothing else but
The Reality

I don't keep TS, or they are so inaccurate that I am ashamed to show them....

I can always go for the 'alternative evidence option', correct?

YES but NO

- First of all, why are your time sheets not in order ? IT solutions exist.
- Secondly, why don't you fill them in?
- Thirdly: TS? I don't use them because in my specific case I use...

What? How do you follow your projects?

Alternative evidence is not an option, but the thin border between problems and big problems

Hours worked for the action

You cannot declare:

- Budgeted time (what you indicated for the budget)
- Estimated time (e.g. person 'guessing' at the end of the year)
- Time allocation (e.g. x % of the contractual time of the person)



Hours declared to the action must be supported by reliable records and documentation !



Best Value for Money examples

My subcontractor is a friend: is it a problem?

As such **not. But** you must be in a position to prove that his/her offer represents the best price-quality ratio.

The conflict of interests rule requires you to adopt every measure to avoid it (including family and emotional ties).

I have named my subcontractor in the Annexes to the G.A.: is it enough?

No because you are still deemed to have respected the best value for money.

I use the same IT provider since 20 years, with a written framework contract: is it ok?

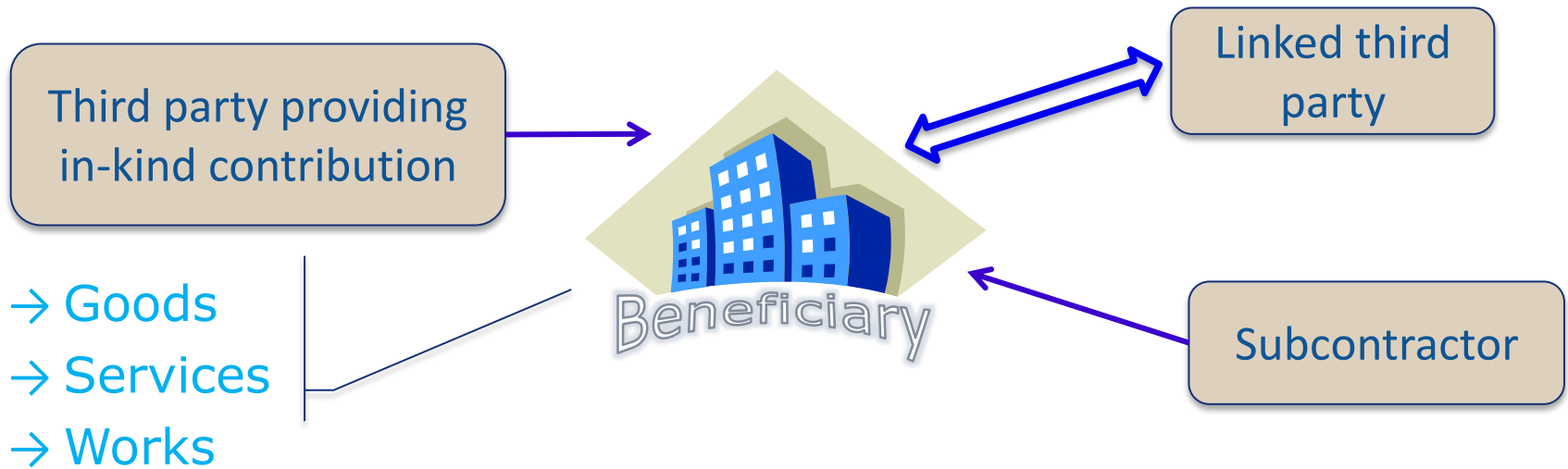
If you use it for you and for us, then **ok**. However, maybe it is time to look for better prices...

Best Value for Money errors...

You must demonstrate 'best value for money'
and take measures to avoid 'conflict of interests'
in sub-contracting **and in Purchase of Goods**

Regular errors

- 'Best value' not demonstrated – no tender, no counter-offers, no market survey.
- Participants' own normal practices not applied.
- No documentation kept.
- Conflict of interests overriding any competition.



The beneficiary retains the sole responsibility for the work and the costs declared !

If something goes wrong with the third party, the beneficiary will be responsible.

I am the boss and I decide who gets the bonus and who doesn't:
is this considered as ineligible?

A bonus scheme can be discretionary, yet based on objective conditions (merit, performance, potential – no matter how these are assessed by the boss - but as part of the usual remuneration policies, and documented). The scheme cannot be arbitrary or discriminatory, i.e. a bonus paid only if and when a researcher works on a H2020 project.

I pay a bonus to my staff when a baby is born:

is this eligible as basic remuneration?

Yes, it is.

I pay a part of the remuneration only if my company makes 1M€ profit and distributes dividends:

is this eligible as basic remuneration?

Yes, provided that the bonus does not represent any distribution of the profit earned.

I have a contract with Morel&Elli Interim for some personnel: can I charge the invoices issued by Morel&Elli Interim as personnel costs?

No, the person must have a contract directly with the beneficiary.

I take advantage of a national law for temporary soft-recruitment tax-free, but I cannot impose TS or direct supervision: can I charge the costs as personnel?

No, but you can still charge their costs either as subcontractors or as service providers.

During the project it appeared that some personnel of the University, partner in the same project, were familiar with the issue and did the work, partly in my premises:
is it ok?

I don't know. But the advice is: inform and consult the PO/FO in advance.

What you **CANNOT** declare under personnel costs?

- ❌ Contracts with companies (e.g. temporary work agencies) to provide staff.
- ❌ Natural persons (e.g. consultants) not fulfilling the conditions (hierarchical dependence, premises, similar cost for similar tasks, ownership of results).
e.g. working autonomously on the tasks assigned to them
- ❌ Natural persons (e.g. consultants) paid *for deliverables* rather than for *working time*



In the cases above the costs may be eligible under 'Other goods and services' or under 'Subcontracting' but never as personnel costs

7 – Amendments, legal basis



7.1 – Legal Basis

Article 55 AGA

WHAT ?

An amendment to the grant agreement is necessary to **change** the **terms and conditions** of a GA (only specific data, options), **Annexes 1 and 2**

Consequences

The amended provisions **become an integral part of the GA**

All other provisions remain unchanged and have full effect

Generally: a change calls for a justification

Principle: no fundamental changes which would question the award decision, equal treatment considerations, no retroactivity

Date of entry into force \neq date of taking effect

Different effect dates are possible for different parts of the amendment

Amendments: when?

*Requests will be introduced **before the end of the action** (i.e. date set out in Article 3)*

Exception: After the end of the action in exceptional cases
(e.g. change of coordinator/bank account to make
the payment of the balance)

*Requests will be submitted **sufficiently in advance**
(to allow preparation and proper analysis before the changes are
due to take effect)*

S2R

project review

Consortium



Example: *to modify Annex 1 following a*

Coordinator submits & signs amendments on behalf of the beneficiaries
(Annex 3 – Accession Form)

Exception: *if change of coordinator without his/her agreement, request must be done by another beneficiary (acting on behalf of the other beneficiaries)*

Coordinators must ensure internally the agreement of the consortium based on their internal decision-making processes

(e.g. unanimity, simple or qualified majority etc. set out in the consortium agreement)

H2020

Amendments

are PAPERLESS

Prepared electronically

Requesting party will encode the amendment request

- * Indicate the reasons
- * Upload the supporting documents
- * Get validations done before submitting the request
(e.g. new legal entity, new bank account validations)

Submitted & signed electronically (by PLSIGN)

Counter signed electronically by receiving party (by PLSIGN)



7.2 - Cases where an amendment is necessary (some examples)

1. Removal of a beneficiary whose participation is terminated (Article 50.2 and 50.3)

☐ If it never became a beneficiary:

- * non-accession to GA, or
- * non-provision of requested declaration on joint and several liability

Beneficiary is removed from the beginning

☐ For other reasons set out in Article 50

Termination can be triggered by:

* the S2R JU or * by the beneficiaries

Termination by the S2R JU (Article 50.3)

- **'Contradictory procedure'** (30 days)
- **'*Termination date*'** either:
 - date specified in notification confirming termination or
 - day after coordinator receives the notification
- Coordinator must submit within 60 days after termination **amendment request with all the supporting documents !**

Termination by the beneficiaries (Article 50.2)

The coordinator:

Notifies termination to the S2R JU and submits the amendment request at the same time – NEW

- * Request must include opinion of the beneficiary whose participation is terminated or proof that it has been requested in writing
- * 'Termination date' must be after notification !

Exception:

Notification will be made by one beneficiary on behalf of the others if coordinator's participation is terminated without his/her agreement

Consequences:

- * Termination date is added to the Preamble of the GA - **NEW**
“[**full official name (short name)**][legal form], [official registration No], established in [official address in full], [VAT number] — **until [insert termination date]**”
- * Change of Annexes 1 and 2
- * Depending on type of beneficiary and if it was/was not receiving funding, the applicable options may have to be removed or modified

Example:

If a beneficiary who does not submit the accession form is an International Organisation applicable options will be removed

2. Adding a new beneficiary

Before submission:

- * New beneficiary must be validated and have a PIC
- * Required documents must be signed:
 - GPF with declaration on honour
 - Annex 3- Accession Form (signed in the electronic exchange system)
 - Annex 3a and Annex 3b (if applicable)

Consequences:

- * New beneficiary and accession date are added to the Preamble of GA
- * Change of Annexes 1 and 2
- * Depending on type of beneficiary (e.g. JRC, IO) and if it was/was not receiving EU funding options will be added/modified/become applicable

Coordinator - changes

1. Change of coordinator

- 'Handover date' will be stated in the Preamble - **NEW**
- Amendment request can be submitted after the end date of the action (e.g. coordinator in bankruptcy)

2. Change of bank account for payments

Banking information must validated before submitting the request



3. Change of the option for 'authorisation to administer'

Option in Article 41.2 is added/removed/modified
(e.g. change of name of the entity with an 'autorisation to administer')

Change to Annex 1 (description of the action)

- Significant change of the **action tasks** (e.g. if tasks are added/removed) or their **division** among the beneficiaries
- Changes concerning **in-kind contributions** provided by third parties (against payment or free-of-charge) or **subcontracts**
- Changes concerning the tasks to be carried out by **linked third parties** and related costs

Changes to the **options** in the GA (e.g. options are removed or added)

***Example:** adding the options to provide trans-national access to research infrastructure requires normally a modification of Annex 1 and/or Annex 2*

Change to Annex 2 (estimated budget)

- Budget transfer between beneficiaries or budget categories (or both) due to a significant change of Annex 1
- Budget transfer to a form of costs that is not provided for in Annex 2

Examples: *from actual costs to the unit costs for SMEs owners*
from actual costs to average personnel costs

Change of Annex 2a: 'Additional information on the estimated budget'

If the calculation of the unit costs needs to be provided or updated

Certain budget transfers

Budget transfers and re-allocation	Amendment needed?
From one beneficiary to another	NO
From one budget category to another	NO
Addition/removal of tasks in Annex 1 Re-allocation of tasks in Annex 1	YES
Transfers between different forms of costs (actual costs, unit costs, etc.)	YES if no budget was foreseen for the 'form of cost' receiving the transfer
New subcontracts, new in-kind contributions	YES (strongly advised)

**Change of name or address of coordinator,
beneficiary, linked third party**

Change of beneficiary due to universal takeover

(In FP7: 'universal transfer of rights and obligations')

**Changes to name of the bank, address of branch and
name of account holder**

(validation of this data on the PP by the S2R JU is sufficient)



PROCEDURE

How is this information updated?

- ❖ Beneficiaries must keep **information stored in the 'Beneficiary Register' up to date** via the Participant Portal (Article 17.2)
- ❖ The LEAR of the beneficiary updates this information
- ❖ Beneficiaries have also to inform the coordinator (offline)
- ❖ Validation Services validate the information in the IT system(s)
- ❖ The validated changes will be notified via the Participant Portal (to ensure an appropriate record of the modifications and to avoid uncertainties)

Note: If S2R JU considers change affects the implementation of the action, it will inform the coordinator

Example: *beneficiary changes its legal address to a third country*



7.3 – Amendment procedure

Amendment Procedure

After submission of request the receiving party has **45 days** for 'evaluation and validation'

Agreement

Rejection

Request for additional information

Extension of the deadline for assessment

If no reaction within deadline, tacit rejection **NEW**

Withdrawal

Amendment Procedure

- ★ A request containing several changes to the GA will be considered as a **package**
 - cannot be divided into several requests
 - request will be agreed or rejected as a whole
 - cannot be modified

- ★ If there is **no reaction** within this deadline the request is considered to have been rejected

- ★ There is no tacit approval of amendments (contrary to FP7)

Entry into force and taking effect

- * An amendment **enters into force** and is binding from the moment the receiving party signs it (in the electronic exchange system)
- * An amendment **takes effect** (the changes will start to apply):
 - # when the amendment enters into force, or
 - # on the date agreed by the parties
 - This date should normally be **after** the entry into force
 - If an amendment request involves several changes, they could take effect on **different dates** (*e.g. addition of beneficiary and change of bank account*)
 - Depending on the type of change, the date of taking effect may have an **impact on the eligibility of costs**

8 – Communications



➤ Increased importance in Horizon 2020

- Communications plan in the proposal and the grant agreement
- Promote your project and its results beyond the project's own community
- Communicate your research in a way that is understood by non-specialists, e.g. to the media and the public
- Inform us in advance of communication activities expected to have a major media impact

➤ Communication ≠ dissemination

- Dissemination is a separate obligation (e.g. through scientific articles and conferences)

See article 29

Union / S2R support shall be highlighted

- JU logo and the EU emblem to be displayed
- Disclaimer to be added on any communication (publicity reflects the author's view and the JU is not liable of any use ...)

Right for the S2R JU to publish information on the project

- The consortium shall ensure that all necessary authorisations for such publications have been obtained

Confidentiality:

- During the project and for a period of 5 years after completion

Website and Dissemination Plan

- S2R expects to have the S2R Communication Plan ready in order to be aligned with CFM projects.
- S2R website will provide direct access to CFM projects' websites

Conclusions



☒ Discipline



☒ Prudence



☒ Perseverance



☒ Reality



☒ Headache during the weekend



In case of doubt, consult: NCP, EC PO/FO, enquiry service

➤ S2R Grant Agreement

➤ Annotated Model Grant Agreement

- http://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/aAGA/h2020-aAGA_en.pdf

➤

- http://ec.europa.eu/research/participants/docs/h2020-funding-guide/index_en.htm

➤

- <https://webgate.ec.europa.eu/fpfis/wikis/display/ECResearchGMS/1.+Grant+Management+Services+tool>

➤ Research Enquiry Service

- <http://ec.europa.eu/research/enquiries>

➤ S2R Programme Management Team

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