

## Questions & Answers

CEI 2024  
GB Decision N° 09/2024

Date of publication: 29/10/2024

Document history		
Revision	Date	Description
1	13/09/2024	First publication: 1-2
2	04/10/2024	Second publication: 3
3	17/10/2024	Third publication: 4-5-6
4	29/10/2024	Fourth publication: 7-8-9-10

Q 1	<p>1 - What is the maximum ratio for IKOP/IKAA? If I understand correctly, this is approximately 29%/26%? Is it true that if we cannot provide IKAA, the ratio of IKOP increases?</p> <p>2 - What is the required level of detail for IKAA justifications?</p> <p>3 - Can we use only ongoing non-EU projects for IKAA?</p> <p>4 - What should be the duration of the projects for IKAA? For example, if a project will end during the first phase of the ERJU project, can we count on it?</p>	<p>1 – As indicated in the CEI application form, pursuant to Article 2(8) of the SBA, in-kind contributions to operational activities' (IKOP) means contributions by Private Members, constituent entities, or the affiliated entities of either, by international organisations and by contributing partners, consisting of the eligible costs incurred by them in implementing indirect actions (EU funded projects) less the contribution of that Joint Undertaking and of the participating states of that joint undertaking to those costs. Estimate to be based on the applicable Horizon Europe funding rates for Innovation Actions, i.e., 70% direct costs + 25% indirect costs, and 100% direct costs + 25% indirect costs for non-profit entities. To consider that Members are expected to significantly contribute to Flagship Project, where the funding rate is reduced in accordance with the SBA, and the last call for Flagship Project entailed a funding rate of 60% at project level.</p>
--------	---	--

<p>5 - For Lump Sum, it is mentioned that we do not need to provide timesheets and justifications about the time, but in some S2R projects, we have been asked to do so. What are the exceptions, if any?</p> <p>6 - If we participate in the consortium, how will we share the seats in ERJU? Can we apply separately for the call, or must we always apply as a consortium?</p>	<p>The EU-Rail Members are today requested to comply with an amount of total in-kind contributions (i.e. in-kind contributions for operational activities and in-kind contributions for additional activities) that should be no less than 1.263 times the funding request, in aggregate, of the applicant Private Members to an EU-Rail call for proposal. Please refer to the different calls for proposal already launched by EU-Rail.</p> <p>This leverage factor is today aligned with the ratio between the contribution from members other than the Union and the Union financial contribution, as on the basis of Articles 88 and 89 of Council Regulation (EU) 2021/2085.</p> <p>The difference between the calculated IKOP and the total in-kind contribution to reach the above leverage is the IKAA.</p> <p>As Members are expected to significantly contribute to Flagship Projects, in case you will participate exclusively to calls for proposal for Flagship Projects, and the funding rate will be set at 60%, then your understanding is correct, on your total in-kind contribution + the EU funding, the ratio of IKOP/IKAA are approximately the ones you have indicated.</p> <p>In case you will not be able to provide IKAA, the JU may have to cut or recover the EU-funding from your indirect actions (EU funded projects) participation. This will then automatically increase your IKOP contribution.</p> <p>2 - As per Article 11.2 of the SBA, for the purpose of valuing in-kind contributions to additional activities, the costs shall be determined in compliance with:</p> <ul style="list-style-type: none"> <li>- the usual cost accounting practices of the entity concerned;</li> <li>- the applicable accounting standards of the country where the entity is established;</li> <li>- the applicable International Accounting Standards and International Financial Reporting Standards.</li> </ul> <p>IKAA can consist of any types of costs as far as it is necessary for the implementation of an approved additional activity (e.g. personnel costs, subcontracting costs, financial contributions, other direct costs, etc...).</p> <p>Additional activities' mean activities that fulfil the following cumulative criteria:</p> <ul style="list-style-type: none"> <li>- contribute to the objectives of the EU-RAIL JU, as defined in the SBA, in particular in Article 85 and 86;</li> <li>- are set out in the annual additional activities plan (the IKAA Plan) annexed to the JU Work Programme;</li> </ul>
---	---

		<p>- do not receive financial support from EU-RAIL;</p> <p>Whenever identifying the additional activities, the EU-RAIL Private Members, their constituent and affiliated entities shall ensure that all above criteria are fulfilled to ensure the proposed activities qualify as AA. Additional activities shall also have clearly defined deliverables.</p> <p>3 – Yes, if they met the above mentioned criteria. Please note that in accordance with the art. 2 of the Single Basic Act, the definition of IKAA “means contributions by the private members, constituent entities or the affiliated entities of either, and by international organisations, consisting of the costs incurred by them in implementing additional activities less any contribution to those costs from the Union”.</p> <p>4 - IKAA are eligible from the entry into force of the SBA (on 30 November 2021) for the Founding Members and their affiliates, and from the Letter of Commitment signature and GB selection decision and the European Commission endorsement (as per article 87.1 of the Single Basic Act) for the Associated Members and their affiliates (with no retroactive effect). You can declare and certify IKAA for any of the activities approved by the Governing Board in the IKAA plan, set out in an annex to the main part of the work programme, on the basis of a proposal from the members other than the Union and after having consulted the EU-Rail Scientific Steering Group and after taking into consideration the States’ Representatives Group’s opinion (as per art. 17.2(n) of the Single Basic Act).</p> <p>5 - In the Lump Sum approach there is no financial reporting, time sheets or financial audits foreseen anymore. Thus, the Certificate on Financial Statement (CFS) is no longer required at the final payment. The ex-post audits will be focusing on technical achievement. Article 6 of the previous (Shift2Rail) Lump Sum Model Grant Agreement (MGA) (which defined eligible and ineligible costs) is no longer applicable. Therefore, all audits connected to the specific check of eligibility and ineligibility of costs will no longer be conducted. According to Article 18.1 of the MGA, the beneficiaries do not need to keep record about the costs actually incurred for implementing the action (i.e., to prove that the corresponding tasks or part of the action as described in Annex 1 of the Grant Agreement were implemented properly). However, it is important to note that beneficiaries continue to be required to store all documents that could be of relevance to prove the proper implementation of the action. This is also needed when, under exceptional circumstances, checks, reviews, audits and investigations would</p>
--	--	---

		<p>be conducted by the European Court of Auditors or the European Anti-Fraud Office.</p> <p>6 – If you apply to this call for Expression of interest with a number of individual legal entities applying together, in case of successful selection you will be considered one single member and therefore the grouping will have one seat and one vote in the different EU-Rail bodies where Members take part. As indicated in the CEI, consortium applications in the sense of potential beneficiaries receiving funding for a project under HE, are not eligible. This means that we expect in future calls for proposals the participation of individual companies/organisations to apply to any individual topics in the EU-Rail open call for proposals and tenders you deem relevant in accordance with the rules for participation of such calls.</p>
<p>Q 2</p>	<p>I have been checking the information about the Call for Expression of Interest for EU-Rail associated members (<a href="https://rail-research.europa.eu/participate/call-for-expression-of-interest-with-a-view-to-selecting-eu-rail-associated-members/">https://rail-research.europa.eu/participate/call-for-expression-of-interest-with-a-view-to-selecting-eu-rail-associated-members/</a>), and I could not find specific details about entry or annual fees, or expected financial contributions for associated members (only the global contribution of all members is mentioned). Could you please provide some additional information on this point?</p>	<p>The CEI specifically indicates in the selection criteria the following: <i>“Applicant’s ability to commit long-term financial (indicatively 5% of the total expected associated member contribution) and in-kind contribution (IKOP and IKAA) to EU-Rail[...]”</i></p> <p>This is requested to fill in the Section 2.2 of the CEI application form, where the same is requested: <i>“Please explain your long-term commitment for financial (indicatively 5% of the total expected Associated Member’s contribution) and in-kind contribution (IKOP and IKAA) to EU-Rail [...]”</i></p> <p>The financial contribution to the JU administrative costs is therefore indicatively 5% of your total expected (in kind) contribution (IKOP+IKAA).</p> <p>There is no entry fee and the contribution to the JU administrative costs is requested to the Members on an annual basis.</p> <p>The CEI does not require a pre-determined nor a minimum threshold of in-kind contribution by each Associated Members, although the applicant will be technically assessed based on its proposal on the criteria defined in the CEI.</p>
<p>Q 3</p>	<p>1. Can three companies be grouped as consortium team into the same application? How much budget should they cover? Is there any minimum limit?</p>	<p>1- As specified in the CEI, point 5.2 “Eligibility conditions”: <i>“Applications submitted by the applicants in the form of consortium (in the sense of a group of beneficiaries or potential beneficiaries receiving funding for a project under Horizon Europe) will not be considered eligible”</i>.</p>

<p>2. Since two companies of our consortium team are private industries, they would like to know who will own the final product or results. Will the associated members own some technology and result? If we have three companies, how should they divide the Intelligent Properties of the results?</p>	<p>However, an applicant can, for example:</p> <ul style="list-style-type: none"> <li>- apply with its affiliated entities</li> <li>- apply with other entities as a joint venture</li> <li>- apply as several companies (each signing the same Letter of Commitment but only one seat in the EU-Rail groups)</li> </ul> <p>Please also consider that there is no minimum contribution that requires a group application.</p> <p>Please see also Q1 6) above for further information on group applications. For the expected financial contributions, please refer to Q2 above.</p> <p>2- It is important to remind that becoming a JU Member does not entail a funding allocation in a cooperation project under a EU-Rail Grant Agreement under Horizon Europe. As any other economic operator an application to a call for proposals would be needed and successful applicants could then sign a Grant Agreement. Under Horizon Europe rules, the ownership rules are laid down in the <a href="#">model grant agreement</a> under article 16.2 and complemented by the provisions of Annex 5 (section "Ownership of results").</p> <p>Accordingly:</p> <ul style="list-style-type: none"> <li>- Results are owned by the beneficiaries that generate them;</li> <li>- Two or more beneficiaries will own results jointly if they have jointly generated them and it is not possible to establish the respective contribution of each beneficiary, or separate them for the purpose of applying for, obtaining or maintaining their protection. In case of joint ownership, the joint owners have the obligation to conclude a joint ownership agreement. If joint owners have not yet concluded a joint agreement, the default joint ownership regime set forth in the grant agreement will apply. According to this default regime, each joint owner may grant non-exclusive licences to third parties to exploit the jointly owned results, without any right to sub-license, as long as the joint owners are given at least 45 days advance notice and a fair and reasonable compensation. Please note that joint ownership is not compulsory. Indeed, once results have been generated, the joint owners can agree in writing to apply another regime than joint ownership, such as for instance the transfer to a single owner and the grant of access rights (e.g. licences) to the others.</li> </ul>
---	--

		You can also refer to the <a href="#">European Commission IP Helpdesk</a> for further available information.
Q 4	<p>There is something called “De minimis” (or something similar) that limits how much support an organisation can receive. Is there any such limitation in this context?</p>	<p>There is no “De minimis” support amount an EU-Rail associated member can receive. Associated members will need to apply to EU-Rail's Call for proposals and, if successful, will then sign a Grant agreement and obtain funding to carry out the proposed actions according to the conditions laid out in the call text.</p> <p>Please also note that becoming an associated member will not lead to any pre-allocation of Horizon Europe funding to the organizations that will be selected as such.</p>
Q 5	<p>During Friday's information session, you mentioned that affiliated entities are not eligible to become associate members. However, it was unclear whether this applies to affiliated entities of a founding member at the global level or only for specific projects.</p> <p>To clarify, we are affiliated with SNCF and Alstom in certain projects from the first call, but we are also conducting some exploratory research projects independently.</p> <p>Could you please confirm whether we are eligible to apply for associate membership under these circumstances?</p> <p>We understand that becoming an associate member would mean we could no longer be considered an affiliated entity in future calls.</p>	<p>If your entity is affiliated entity to SNCF and Alstom, who are private founding members of EU-Rail, it means that your participation in EU-Rail's exploratory research call projects can be accounted as in-kind contribution of those EU-Rail private founding members.</p> <p>As indicated under point 2 of the call for expression of interest, the purpose of this call is to complement the existing membership with additional key capabilities/capacities and competences able to implement the Multi-Annual Work Programme and achieve impact. Should you be a named Affiliated Entity in the Letter of Commitment of an EU-Rail Member, you are already part of the membership.</p> <p>Please take into account the above when deciding your application. The eligibility conditions are set out in section 5.2 of the call for expression of interest.</p> <p>Please note that becoming an associated member of EU-Rail does not preclude you from applying to EU-Rail calls for proposals or participate as affiliated entities in projects selected for funding.</p>
Q 6	<p>If more than one candidates apply for membership, will there be a selection process or is there a possibility to broaden the membership? Will there be an option to apply in the upcoming two years, or only if a member withdraws?</p>	<p>The EU-Rail call for expression of interest is open to any legal entity established in an EU Member State or in a country associated to Horizon Europe, or international organisations, with the necessary operational and financial capacity to be able to engage on a long-term commitment to EU-Rail. As indicated in the call text, a selection process will follow for all applicants who are considered admissible and eligible. There is no limited number of associated members that can be selected as a result of this selection process.</p> <p>The launch of a new call for expression of interest to become associated members and the final decision on extending EU-Rail's membership to associated members is for the EU-Rail's</p>

		<p>Governing Board. The termination of membership does not necessarily imply that a new call is launched.</p> <p>For further details, please consult Article 7 of the Council Regulation <a href="#">(EU) 2021/2085</a> of 19 November 2021 establishing the Joint Undertakings under Horizon Europe.</p>
<p>Q 7</p>	<p>Following the Europe's Rail Info Day re: the Call for Expression of Interest, there are a few matters which are still not entirely clear. Please could you provide some clarification to the following questions:</p> <p>1- It is not clear what rights and obligations associated members have in relation to results/outputs. Is it across the whole programme or just the project that the member is part of? Is it the whole project they are part of or just the WP (or just the Task) that the member is part of? Are parts of projects partitioned off to protect IP?</p> <p>2- The timeline for new associate members suggests that they get an opportunity to review the draft WP2025/26 but this will be firm by April 2025. How much influence will the new members be able to have as it is expected that this will be quite mature by mid-March when the new members get a first look at it (slide for ERJU SRG states 'GB Adoption of Work Programme 2025/26 on 21 Nov 2024)?)</p> <p>3- Members pay an annual financial contribution to the JU administrative costs that is 'indicatively 5% of the total expected IKOP/IKAA' – does that mean if no projects are undertaken by the member there is no fee?</p> <p>4- What if any role would members of ERJU have in</p>	<p>1 – The associated members who participate in projects funded by EU-Rail as a Grant beneficiary or partner, following a successful application in an open and transparent call for proposal which is separate from the call from expression of interest to become associated member of the JU, will have the rights and obligations specified in the Grant agreement for every project. Regarding the results/outputs in terms of Intellectual Property Rights, Article 16 of the Model Grant Agreement, as well as Annex 5 contain the applicable rules.</p> <p>In general, results are owned by the beneficiaries that generate them for each project, unless the consortium agreement – which sets out the internal arrangements of the consortium partners for implementing the project and the administration of the EU grant – specifies another ownership regime.</p> <p>2- The EU-Rail Work Programme 2025-2026 is indeed scheduled for adoption by the Governing Board for its meeting of 21 November 2024. However, it can be amended until the Governing Board meeting of June 2025, precisely as a follow-up to the outcome of the associated members call for expression of interest.</p> <p>3 – The 5% contribution paid by the members of EU-Rail has no link with the project they are undertaking. The financial contribution will be agreed at the Letter of Commitment (LoC) and it will become an annual obligation of the associate member throughout its association to the EU-Rail JU. The percentage figure is here provided here indicatively based on the Members' contribution to the JU that will be also part of the LoC.</p> <p>Please also refer to the answer provided under Question N° 2 above and Question N°9 below.</p>

	<p>shaping/informing any successor programme in FP10?</p>	<p>4 – EU-Rail follows very closely the developments regarding the FP10 consultations. An interim evaluation report of the Joint Undertaking, which is part of the evaluation of the Horizon Europe programme, is currently conducted by the European Commission. This interim evaluation is one of the inputs that will serve for the preparation of the future research programme.</p> <p>The discussions on the future of the JU, including its phasing-out plan, is taking place within EU-Rail's Governing Board and its advisory bodies.</p>
<p>Q 8</p>	<p>When we apply for associated membership and we got approved/confirmed by the Government Board, what does it mean for the ongoing EU-Rail projects participation? Is my understanding correct, that for the ongoing and already started Projects, there is no impact on funding rates, but only for new ones as e.g. calls from the 2nd wave (if approved before)?</p>	<p>The approval of the new associated members does not have any impact in the ongoing projects. Nevertheless, the new associated members will be contributing to IKOP and IKAA and could also bring those with their participation in ongoing projects, for example with the IKAA plan (with no recognition of costs incurred before the membership).</p>
<p>Q 9</p>	<p>Please consider the need for clarification on your answer regarding the Financial contribution to the JU Administrative Costs: As far as understood, the annual "cash" 5% contribution to the JU Administrative costs is expected to be calculated on the expected/estimated in Kind contributions (IKOP+IKAA) for the period between 2025 and 2031.</p> <p>1. Will this 5% contribution be based on the annual reporting of the IKOP and IKAA of the AM (<u>Investment executed</u>) or based on the estimations provided in the Application Form?</p> <p>2. The 5% contribution to JU annually will be therefore dependent of the in-kind</p>	<p>1- The administrative contribution will be based on the total value of the estimated an in-kind contribution (IKOP and IKAA) finally agreed in the Letter of Commitment (LoC), not on the yearly reporting.</p> <p>2- No, the yearly contributions for each member are dependent on their share of the total administrative contributions for the full programme and the value of the budget of the JU.</p> <p>Please also refer to the answer provided under Question N°2 and N° 7 above.</p>



	contribution (executed or estimated?) for that year, correct?	
Q 1 0	<p>1- With over half of the €600m already allocated to the first calls and other exploratory calls, how will the JU calculate the level of in-kind contribution expected to be invested by Associate Members at this stage of the programme?</p> <p>2- How will Associate Members be able to join as a consortium partner to Flagship Projects that are a priority for their member country?</p>	<p>1 – The EU-Rail Multi-Annual Work Programme provides the indicative implementation in the chapter 10, in particular with regard to the Innovation Pillar activities, with the core part of the programme being implemented into two other pending calls for proposals.</p> <p>2 - The associated members, as any other members or non-member of the JU, will have to submit a project application (with a consortium) to upcoming open calls for proposals for Flagship Projects.</p>